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

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **February 26, 2021**

Medicine Man Technologies, Inc.

(Exact Name of Registrant as Specified in its Charter)

Nevada	**001-36868**	**46-5289499**
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(IRS Employer Identification No.)

4880 Havana Street, Suite 201 Denver, Colorado	**80239**
(Address of Principal Executive Offices)	(Zip Code)

Registrant's telephone number, including area code **(303) 371-0387**

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

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instructions A.2. below):

[_] Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

[_] Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

[_] Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

[_] Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

Emerging growth company [X]

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

Item 1.01. Entry into a Material Definitive Agreement.

Private Placement of Preferred Stock

On February 26, 2021, Medicine Man Technologies, Inc. (the "Company") entered into a Securities Purchase Agreement (the "Purchase Agreement") with CRW Capital Cann Holdings, LLC (the "Investor") pursuant to which the Company agreed to issue and sell up to 30,000 shares of the Company's Series A preferred stock, par value $0.001 per share (the "Preferred Stock"), at a price of $1,000 per share in one or more closings on or before March 5, 2021 (subject to extension by mutual agreement). On the same date, the Company also executed a letter agreement with the Investor providing the rights described below (the "Letter Agreement").

The Company issued and sold 23,250 shares of Preferred Stock to the Investor on February 26, 2021 and 2,100 additional shares of Preferred Stock on March 3, 2021 for aggregate gross proceeds of $25,350,000.00.

Also, the Company entered into separate subscription agreements with six unaffiliated purchasers pursuant to which the Company issued and sold an aggregate of 2,900 shares of Preferred Stock at a price of $1,000 per share to such purchasers for aggregate gross proceeds of $2,900,000 as follows: February 10, 2021, 250 shares, February 23, 500 shares, February 26, 650 shares, and March 1, 1,500 shares.

On March 2, 2021, the Company agreed with and issued and sold to Dye Capital Cann Holdings II, LLC ("Cann II") 3,800 shares of Preferred Stock under the Securities Purchase Agreement, dated December 16, 2020, as amended, between the Company and Cann II for aggregate gross proceeds of $3,800,000. The Company previously reported the terms of the Cann II Securities Purchase Agreement and the associated amendments in the Company's Current Reports on Form 8-K filed on December 23, 2020 and February 9, 2021.

The Company received aggregate net proceeds of approximately $31,121,748.00 from the issuances and sales of Preferred Stock described above, after deducting placement agent fees and estimated offering expenses

The Benchmark Company, LLC and DelMorgan Group, LLC each acted as placement agent in connection with the transactions described above and the Company will pay Benchmark Company, LLC $105,000 and DelMorgan Group, LLC $177,520 for their services.

The Company previously reported the terms of the Preferred Stock in the Company's Current Report on Form 8-K filed on December 23, 2020.

Justin Dye, the Company's Chief Executive Officer, one of our directors and the largest beneficial owner of the Company's common stock (the "Common Stock"), controls Dye Cann II, which is a significant holder of the Preferred Stock. Mr. Dye has sole voting and dispositive power over the securities held by Dye Cann I. Mr. Dye, our Chief Operating Offering, Nirup Krishnamurthy, and two of our directors, Jeffrey Garwood and Pratap Mukharji, are part owners of Dye Cann II. Mr. Krishnamurthy, Mr. Garwood and Mr. Mukharji do not beneficially own any of the securities held by Dye Cann II.

The Purchase Agreement contains the following covenants:

- *Investor Lock-Up*: The Investor may not sell any shares of Common Stock issuable upon conversion of Preferred Stock on or before February 26, 2022. Thereafter, the Investor is prohibited from selling more than (i) up to 25% of the shares of Common Stock issuable upon conversion of the Preferred Stock during the 6-month period following February 26, 2022, and (ii) up to 50% of the shares of Common Stock issuable upon conversion of the Preferred Stock during the 6-month period following the 18 month anniversary of February 26, 2022 (together with any shares of Common Stock sold under clause (i)).
- *Registration Rights*: The Company granted the Investor certain demand and piggyback registration rights with respect to the shares of Common Stock issuable upon conversion of the Preferred Stock.
- *Equity Incentive Plan Limitation*: For as long as the Investor holds any shares of Preferred Stock, the Company may not have issued and outstanding awards under any equity incentive plan for the issuance of shares of Common Stock representing more than 12% of the then-issued and outstanding shares of Common Stock (calculated on an as-converted, fully-diluted basis, excluding warrants) in the aggregate without prior written consent of holders of a majority of the then-outstanding shares of Preferred Stock.

The Purchase Agreement also contains customary representations, warranties, covenants, including indemnities and closing conditions.

Under the Letter Agreement, the Investor has the following rights:

- *Board Appointment Right*: For as long as the Investor owns, in the aggregate, at least $15,000,000 of Preferred Stock (calculated on an as-converted basis based on the volume weighted average price of the Common Stock over a 30-day period) or continues to hold at least 15,000 shares of Preferred Stock, the Company is required to take all actions to ensure that one individual designated by the Investor will be appointed to the Company's Board of Directors (the "Board"). For as long as the Investor has the right to designate a Board member, each committee of the Board shall include the Investor designee as a member or, if the Investor so elects, as an observer.
- *Inspection and Informational Rights*: For as long as the Investor has the right to designate a Board member, the Investor has a right to examine the Company's books and records, inspect its facilities and to receive certain information from the Company.
- *Most Favored Nation*: If the Company in the future issues any rights or benefits containing provisions that are more favorable than those set forth in the Purchase Agreement or the Certificate of Designation (as defined in Item 5.03) to any holder of Preferred Stock who acquires an amount of Preferred Stock that is less than or equal to the amount of Preferred Stock acquired by the Investor, the Company must make such provisions (or any more favorable portion thereof) available to the Investor.
- *Participation Right*: For as long as the Investor has the right to designate a Board member, if the Company, directly or indirectly, plans to issue, sell or grant any securities or options to purchase any of its securities, the Investor has a right to purchase its pro rata portion of such securities, based on the number of shares of Preferred Stock beneficially held by the Investor on the applicable date on an as-converted to Common Stock basis divided by the total number of shares of Common Stock outstanding on such date on an as-converted, fully-diluted basis (taking into account all outstanding securities of the Company regardless of whether the holders of such securities have the right to convert or exercise such securities for Common Stock at the time of determination). The participation right does not apply to certain securities, such as securities issued to employee, officer, director or consultant pursuant to any incentive equity plan that has been approved by the Board.
- *Prohibition on Senior Securities*: For as long as the Investor has the right to designate a Board member, the Company may not issue any Senior Securities (as defined in the Certificate of Designation) without the written consent of the Investor.
- *Monitoring Fee*: The Company will pay the Investor a monitoring fee equal to $150,000, payable in monthly installments of $10,000 commencing on the date of the closing.

Unless earlier terminated, the Letter Agreement terminates upon the earlier of: (i) such time as the Investor does not hold any shares of the Company's stock, (ii) a Listing Event (as defined in the Certificate of Designation), or (iii) the completion of a Change of Control Transaction (as defined in the Certificate of Designation).

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

Conversion of Convertible Promissory Note and Security Agreement

On February 26, 2021, the Company received a Conversion Notice and Agreement (the "Conversion Agreement") from Dye Capital & Company, LLC ("Dye Capital") pursuant to which Dye Capital elected to convert all outstanding amounts owed by the Company to Dye Capital under the Convertible Promissory Note and Security Agreement in the original principal amount of $5,000,000 issued by the Company to Dye Capital on December 16, 2020 pursuant to the terms thereof. On the same date, the Company executed the Conversion Agreement and issued 5,060 shares of Preferred Stock to Dye Capital and also paid Dye Capital an immaterial amount in cash in lieu of issuing any fractional shares of Preferred Stock to Dye Capital upon conversion.

Justin Dye, the Company's Chief Executive Officer and the largest beneficial owner of the Common Stock, controls Dye Capital and has sole voting and dispositive power over the securities held by Dye Capital.

The foregoing description of the Conversion Agreement is qualified in its entirety by reference to the full text of the Conversion Agreement, a copy of which is attached hereto as Exhibit 10.3 and incorporated herein by reference.

Term Loan

On February 26, 2021, the Company's wholly owned subsidiaries Mesa Organics Ltd., Mesa Organics II Ltd., Mesa Organics III Ltd., Mesa Organics IV Ltd, SCG Holding, LLC and PBS Holdco LLC, as borrowers (collectively, the "Borrowers"), entered into a Loan Agreement (the "Loan Agreement") with SHWZ Altmore, LLC, as lender (the "Lender"), and GGG Partners LLC, as collateral agent (the "Collateral Agent"). Upon execution of the Loan Agreement and the associated loan documents described below, the Lender made an initial advance of $10,000,000 to the Borrowers. Under the Loan Agreement, the Lender has agreed to make one additional advance of $5,000,000 to the Borrowers on or before June 26, 2021 upon the satisfaction of certain closing conditions customary for this type of transaction as well as a requirement that the Company has completed the acquisition of substantially all of the assets of an identified company

The following table sets forth additional terms of the Loan Agreement and the other loan documents entered into on February 26, 2021:

Loan Term	Four years
Interest Rate	15% per year, payable quarterly in cash
Default Interest Rate	19% (inclusive of the 15% rate noted above)
Amortization	No amortization during the first two years; thereafter principal will be amortized over a 60-month amortization schedule for the remainder of the term, payable in quarterly installments with the balance due at maturity
Lender Fee	The Borrowers paid the Lender a $375,000 origination fee upon execution of the Loan Agreement, which was withheld from the initial advance made by the Lender
Lender Expenses	The Borrowers are required to pay the Lender's reasonable costs, fees and expenses, including attorney's fees, in connection with entering into the Loan Agreement and the other loan documents, subject to a $150,000 cap
Collateral Agent Fee	The Borrowers will pay the Collateral Agent a quarterly fee of $5,000 (the fee may be increased if time incurred by the Collateral Agent during times at which an event of default exist under the Loan Agreement results in an aggregate amount higher than the quarterly fee)
Voluntary Prepayment	The Borrowers may voluntarily prepay the loan at any time and if the Borrower prepay the loan during the initial two-year term, the Borrowers must pay a prepayment penalty equal to the interest payable on the prepaid amount for the remainder of the initial two-year term
Mandatory Prepayment	Under certain circumstances, if any Borrower incurs additional debt, issues equity interests, or receives proceeds from asset sales, insurance claims or condemnation proceedings, then such Borrower must either reinvest such proceeds in assets useful to the Borrowers business or use the resulting net cash proceeds to prepay the loan
Financial Covenants	On the last day of each calendar quarter the Borrowers are required to have at least $3,000,000 in a deposit account in which the Lender has a security interest Starting on March 31, 2022 and at the end of each fiscal quarter thereafter while the loan is outstanding, the Borrowers must maintain a consolidated fixed charge coverage ratio of at least 1.3
Restricted Cash Reserve	At the closing, the Borrowers were required to set aside an amount equal to the interest payments for the first two quarters of interest payments to be used to pay the interest due on the first two interest payment dates
Other Covenants	The Borrowers are subject to additional covenants customary for this type of transaction, including without limitation, covenants related to notices of certain events and reporting, and covenants restricting the Borrowers' business activities, other debt, fundamental transactions, acquisitions and dispositions, investments, dividend payments and affiliate transactions, in each case subject to mutually agreed upon qualifications and exceptions
Events of Default	The Loan Agreement contains events of defaults customary for this type of transaction, some of which are subject to mutually agreed upon cure periods and notice requirements
Remedies	The Loan Agreement and the other loan documents contain remedies customary for this type of transaction, including, without limitation, giving the Lender the ability to declare the loan and all amounts owed under the Loan Agreement due and payable upon the occurrence of an event of default and to operate or sell collateral and use the proceeds to repay the loan
Other Provisions	The Loan Agreement and the other loan documents contain other provisions customary for this type of transaction, including, without limitation, representations and warranties, indemnities and confidentiality undertaking

The loan is evidenced by a promissory note (the "Promissory Note").

In connection with entering into the Loan Agreement, the Borrower entered into a Security Agreement with the Collateral Agent pursuant to which the Borrowers granted to the Collateral Agent, for the benefit of the Lender and the Collateral Agent, a security interest in substantially all current and future assets of the Borrowers to secure their obligations under the Loan Agreement (the "Security Agreement"). At the same time, the Company entered into a Parent Guaranty with the Collateral Agent, for the benefit of the Lender, pursuant to which the Company guarantees the payment and performance by the Borrowers when due (the "Guaranty"). The Company also issued a five-year warrant to purchase 1,500,000 shares of Common Stock at an exercise price of $2.50 per share to the Lender (the "Lender Warrant"). The Lender Warrant contains a cashless exercise feature by which, upon exercise, the Company will withhold a number of shares of Common Stock with a fair market value equal to the aggregate exercise price and deliver the remaining shares. The exercise price of the Lender Warrant is subject to adjustments for stock splits and similar events. Further, upon certain reorganizations, reclassifications, consolidations, mergers, asset sales or similar transactions which entitle the holders of Common Stock to receive stock, securities or assets with respect to or in exchange for Common Stock, thereafter, the Lender Warrant shall remain outstanding and be exercisable for the kind and number of shares of stock or other securities or assets resulting from such transactions in lieu of Common Stock. Also, the Company may not affect any such transaction unless the successor (if other than the Company) assumes the obligations under the Lender Warrant.

The foregoing descriptions of the Loan Agreement, the Promissory Note, the Security Agreement, the Guaranty and the Lender Warrant are qualified in their entirety by reference to the full text of those documents, copies of which are attached hereto as Exhibits 10.4, 10.5, 10.6, 10.7 and 4.1, respectively, and incorporated herein by reference.

Limitation on Representations

The representations and warranties of the Company contained in the documents describe above have been made solely for the benefit of the parties thereto. In addition, such representations and warranties (i) have been made only for purposes of the documents described above, (ii) in some cases, have been qualified by documents filed with, or furnished to, the SEC by the Company before the date of the documents described above (and stockholders and investors should read such documents in the context of the Company's other public disclosures in order to have a materially complete understanding of the disclosures therein), (iii) are subject to materiality qualifications contained therein which may differ from what may be viewed as material by stockholders and investors, (iv) were made only as of the date of the documents described above or such other date as is specified therein, as applicable, and (v) have been included in the documents described above for the purpose of allocating risk between the contracting parties rather than establishing matters as facts.

The documents described above, the summaries of the documents described above and the other disclosures included in this Current Report on Form 8-K are intended to provide stockholders and investors with information regarding the terms of the documents described above, and not to provide stockholders and investors with any other factual information regarding the Company or its subsidiaries or their respective business. You should not rely on the representations and warranties in the documents described above or any descriptions thereof as characterizations of the actual state of facts or condition of the Company or any of its subsidiaries or affiliates. Moreover, information concerning the subject matter of the representations and warranties may change after the date of the documents described above, which subsequent information may or may not be fully reflected in the Company's public disclosures. Other than as disclosed in this Current Report on Form 8-K, as of the date of this Current Report on Form 8-K, the Company is not aware of any material facts that are required to be disclosed under the federal securities laws that would contradict the representations and warranties in the documents described above. The Company will provide additional disclosure in its public reports to the extent that it is aware of the existence of any material facts that are required to be disclosed under federal securities laws and that might otherwise contradict the representations and warranties contained in the documents described above and will update such disclosure as required by federal securities laws. Accordingly, the documents described above should not be read alone, but should instead be read in conjunction with the other information regarding the Company and its subsidiaries that has been, is or will be contained in, or incorporated by reference into, the Forms 10-K, Forms 10-Q, Forms 8-K, proxy statements, registration statements and other documents that the Company files with the SEC.

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

The information included in Item 1.01 of this Current Report on Form 8-K is hereby incorporated by reference into this Item 2.03.

Item 3.02. Unregistered Sales of Equity Securities.

The information included in Item 1.01 of this Current Report on Form 8-K is hereby incorporated by reference into this Item 3.02.

The issuance of the shares of Preferred Stock to the Investor was exempt from registration under Securities Act Section 4(a)(2) and Securities Act Rule 506(b), the issuance of the shares of Preferred Stock to Dye Capital was exempt from registration under Securities Act Section 3(a)(9 and Section 4(a)(2), and the issuance of the Lender Warrant to the Lender was exempt from registration under Securities Act Section 4(a)(2). The Investor, Dye Capital and the Lender are sophisticated and represented in writing that they were accredited investors and acquired the securities for their own accounts for investment purposes. Further, Dye Capital converted its Convertible Promissory Note and Security Agreement under its terms into shares of Preferred Stock of the same issuer in a transaction where no commission or other remuneration was paid or given directly or indirectly for soliciting such exchange. A legend will be placed on the certificates representing shares of Preferred Stoc and the Lender Warrant, subject to the terms of the applicable transaction documents, stating that the securities in question have not been registered under the Securities Act and cannot be sold or otherwise transferred without registration or an exemption therefrom.

Item 3.03. Material Modification to Rights of Security Holders.

The information included in Item 1.01 and Item 5.03 of this Current Report on Form 8-K is hereby incorporated by reference into this Item 3.03.

5.03. Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year.

On March 1, 2021 and effective as of such date, the Company filed a Certificate of Amendment to Designation (the “Designation Amendment”) with the Nevada Secretary of State to amend the Certificate of Designation of Series A Cumulative Convertible Preferred Stock (the “Certificate of Designation”) to increase the number of authorized shares of Preferred Stock from 60,000 to 110,000.

The foregoing description of the Designation Amendment is qualified in its entirety by reference to the full text of the Designation Amendment, a copy of which is attached hereto as Exhibit 3.1 and incorporated herein by reference

5.07. Submission of Matters to a Vote of Security Holders.

On March 1, 2021, holders of 43,610 shares of Preferred Stock, representing a majority of the Company’s issued and outstanding shares of Preferred Stock, executed a written consent in lieu of meeting that authorized and approved the Designation Amendment.

Item 7.01. Regulation FD Disclosure.

On March 2, 2021, the Company issued a press release, among other things, announcing the closing of some of the financing transactions described in this Current Report on Form 8-K.

The information under this Item 7.01 and the press release attached hereto as Exhibit 99.1 is being furnished by the Company pursuant to Item 7.01. In accordance with General Instruction B.2 of Form 8-K, the information contained under this Item 7.01 and the investor presentation attached hereto as Exhibit 99.1 shall not be deemed “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liability of that section. In addition, this information shall not be deemed incorporated by reference into any of the Company’s filings with the Securities and Exchange Commission, except as shall be expressly set forth by specific reference in any such filing.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

Exhibit No.	Description
3.1	Certificate of Amendment to Designation, dated March 1, 2021
4.1	Warrant to Purchase Common Stock, dated February 26, 2021, issued by Medicine Man Technologies, Inc. to SHWZ Altmore, LLC
10.1	Securities Purchase Agreement, dated February 26, 2021, between Medicine Man Technologies, Inc. and CRW Capital Cann Holdings, LLC
10.2	Letter Agreement, dated February 26, 2021, between Medicine Man Technologies, Inc. and CRW Capital Cann Holdings, LLC
10.3	Conversion Notice and Agreement, dated February 26, 2021, between Medicine Man Technologies, Inc. and Dye Capital & Company, LLC
10.4	Loan Agreement, dated February 26, 2021, among Mesa Organics Ltd., Mesa Organics II Ltd., Mesa Organics III Ltd., Mesa Organics IV Ltd, SCG Holding, LLC and PBS Holdco LLC, as borrowers, SHWZ Altmore, LLC, as lender, and GGG Partners LLC, as collateral agent
10.5	Promissory Note, dated February 26, 2021, issued by Mesa Organics Ltd., Mesa Organics II Ltd., Mesa Organics III Ltd., Mesa Organics IV Ltd, SCG Holding, LLC and PBS Holdco LLC, as borrowers, to SHWZ Altmore, LLC, as lender
10.6	Security Agreement, dated February 26, 2021, between Mesa Organics Ltd., Mesa Organics II Ltd., Mesa Organics III Ltd., Mesa Organics IV Ltd, SCG Holding, LLC and PBS Holdco LLC, as grantors, and GGG Partners LLC, as collateral agent
10.7	Parent Guaranty, dated February 26, 2021, between Medicine Man Technologies, Inc, as guarantor, and GGG Partners LLC, as collateral agent
99.1	Press Release, March 2, 2021

SIGNATURES

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

Medicine Man Technologies, Inc.

By: /s/ Justin Dye
Justin Dye, Chief Executive Officer
(Principal Executive Officer)

Date: March 4, 2021

By: /s/ Daniel R. Pabon
Daniel R. Pabon, Chief Financial Officer
(Principal Financial and Accounting Officer)

Exhibit 3.1

BARBARA K. CEGAVSKE
Secretary of State
202 North Carson Street
Carson City, Nevada 89701-4201
(775) 684-5708
Website: www.nvsos.gov

Certificate, Amendment or Withdrawal of Designation

NRS 78.1955, 78.1955(6)

☐ Certificate of Designation
☐ Certificate of Amendment to Designation - Before Issuance of Class or Series
☒ Certificate of Amendment to Designation - After Issuance of Class or Series
☐ Certificate of Withdrawal of Certificate of Designation

TYPE OR PRINT - USE DARK INK ONLY - DO NOT HIGHLIGHT

1. Entity information:	Name of entity: Medicine Man Technologies, Inc. Entity or Nevada Business Identification Number (NVID): E0149142014-4
2. Effective date and time:	For Certificate of Designation or Amendment to Designation Only (Optional): Date: Time: (must not be later than 90 days after the certificate is filed)
3. Class or series of stock: (Certificate of Designation only)	The class or series of stock being designated within this filing:
4. Information for amendment of class or series of stock:	The original class or series of stock being amended within this filing: Series A Cumulative Convertible Preferred Stock
5. Amendment of class or series of stock:	☐ Certificate of Amendment to Designation- Before Issuance of Class or Series As of the date of this certificate no shares of the class or series of stock have been issued.
	☒ Certificate of Amendment to Designation- After Issuance of Class or Series The amendment has been approved by the vote of stockholders holding shares in the corporation entitling them to exercise a majority of the voting power, or such greater proportion of the voting power as may be required by the articles of incorporation or the certificate of designation.
6. Resolution: Certificate of Designation and Amendment to Designation only)	By resolution of the board of directors pursuant to a provision in the articles of incorporation this certificate establishes OR amends the following regarding the voting powers, designations, preferences, limitations, restrictions and relative rights of the following class or series of stock.* Section 2 of the Certificate of Designation is hereby amended as set forth on Annex A attached hereto. (See Annex A, attached.)
7. Withdrawal:	Designation being Withdrawn: Date of Designation: No shares of the class or series of stock being withdrawn are outstanding. The resolution of the board of directors authorizing the withdrawal of the certificate of designation establishing the class or series of stock: *
8. Signature: (Required)	X s/DanielR.Pabon Date: 03/01/2021 Signature of Officer

* Attach additional page(s) if necessary
This form must be accompanied by appropriate fees.

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Revised: 1/1/2019

MEDICINE MAN TECHNOLOGIES, INC.

CERTIFICATE OF AMENDMENT TO DESIGNATION
OF
SERIES A CUMULATIVE CONVERTIBLE PREFERRED STOCK

Annex A

6. Resolution (cont'd): Section 2 of the Certificate of Designation is hereby amended to read in its entirety as follows:

"2. Designation, Par Value and Preference Amount. The series of preferred stock is hereby designated as Series A Cumulative Convertible Preferred Stock (the "Preferred Stock") and the number of shares so designated shall be 110,000. Each share of Preferred Stock shall have a par value of $0.001 per share and a preference amount equal to $1,000, subject to increase as set forth in Section 4 below (the "Preference Amount")."

* * * * *

Exhibit 4.1

NEITHER THE ISSUANCE AND SALE OF THE SECURITIES REPRESENTED BY THIS CERTIFICATE NOR THE SECURITIES INTO WHICH THESE SECURITIES ARE EXERCISABLE HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR APPLICABLE STATE SECURITIES LAWS. THE SECURITIES MAY NOT BE OFFERED FOR SALE, SOLD, TRANSFERRED OR ASSIGNED (I) IN THE ABSENCE OF (A) AN EFFECTIVE REGISTRATION STATEMENT FOR THE SECURITIES UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR (B) AN OPINION OF COUNSEL SELECTED BY THE HOLDER, IN A FORM REASONABLY ACCEPTABLE TO THE COMPANY, THAT REGISTRATION IS NOT REQUIRED UNDER SUCH ACT, OR (II) UNLESS SOLD PURSUANT TO RULE 144 OR RULE 144A UNDER SUCH ACT. NOTWITHSTANDING THE FOREGOING, THE SECURITIES MAY BE PLEDGED IN CONNECTION WITH A BONA FIDE MARGIN ACCOUNT WITH A FINRA REGISTERED BROKER/DEALER OR OTHER LOAN OR FINANCING ARRANGEMENT WITH AN "ACCREDITED INVESTOR" SECURED BY THE SECURITIES.

MEDICINE MAN TECHNOLOGIES, INC.
Warrant To Purchase Common Stock

Warrant No.: LEN-1
Number of Shares of Common Stock: 1,500,000
Date of Issuance: February 26, 2021 ("**Issuance Date**")

Medicine Man Technologies, Inc., a Nevada corporation d/b/a Schwazze (the "**Company**"), hereby certifies that, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, SHWZ ALTMORE, LLC, the registered holder hereof or its permitted assigns (the "**Holder**"), is entitled, subject to the terms set forth below, to purchase from the Company, at the Exercise Price (as defined below) then in effect, at any time or times on or after the date hereof, but not after 11:59 p.m., New York time, on the Expiration Date, 1,500,000 fully paid nonassessable shares of Common Stock, all subject to adjustment as provided herein (the "**Warrant Shares**" and, together with this Warrant (as defined below), collectively, the "**Securities**"). Except as otherwise defined herein, capitalized terms in this Warrant to Purchase Common Stock (including any Warrants to purchase Common Stock issued in exchange, transfer or replacement hereof, this "**Warrant**"), shall have the meanings set forth in Section 14. This Warrant is one of the Warrants to purchase Common Stock (the "**Loan Warrants**") issued pursuant to Section 4.01(b) of the Loan Agreement, dated as of February 26, 2021, by and among the Company, as guarantor, the borrowers party thereto, the collateral agent, and SHWZ Altmore, LLC, a Delaware limited liability company, as lender (as amended, the "**Loan Agreement**").

1. EXERCISE OF WARRANT.

(a) Mechanics of Exercise. Subject to the terms and conditions hereof, this Warrant may be exercised by the Holder at any time or times on or after the Issuance Date, in whole or in part, by (i) delivery of a written notice, in the form attached hereto as Exhibit A (the "**Exercise Notice**"), of the Holder's election to exercise this Warrant and (ii) payment to the Company of an amount equal to the applicable Exercise Price multiplied by the number of Warrant Shares as to which this Warrant is being exercised (the "**Aggregate Exercise Price**") in, at the option of the Holder as expressed in the Exericse Notice, either (x) cash by wire transfer of immediately available funds or (y) payment in accordance with Section 1(e) below. The Holder shall not be required to deliver the original Warrant in order to effect an exercise hereunder. Execution and delivery of the Exercise Notice with respect to less than all of the Warrant Shares shall have the same effect as cancellation of the original Warrant and issuance of a new Warrant evidencing the right to purchase the remaining number of Warrant Shares. Execution and delivery of an Exercise Notice for all of the then-remaining Warrant Shares shall have the same effect as cancellation of the original of this Warrant after delivery of the Warrant Shares in accordance with the terms hereof. On or before the first Trading Day following the date on which the Company has received the Exercise Notice, the Company shall transmit by electronic mail an acknowledgment of confirmation of receipt of the Exercise Notice to the Holder and the Company's transfer agent (the "**Transfer Agent**"). On or before the third Trading Day following the date on which the Company has received the Exercise Notice and the Aggregate Exercise Price, the Company shall (X) provided that the Transfer Agent is participating in The Depository Trust Company ("**DTC**") Fast Automated Securities Transfer Program and the Warrant Shares are subject to an effective resale registration statement in favor of the Holder, credit such aggregate number of Warrant Shares to which the Holder is entitled pursuant to such exercise to the Holder's or its designee's balance account with DTC through its Deposit / Withdrawal At Custodian system, or (Y) if the Transfer Agent is not participating in the DTC Fast Automated Securities Transfer Program or the Warrant Shares are not subject to an effective resale registration statement in favor of the Holder, issue and dispatch by overnight courier to the address as specified in the Exercise Notice, a certificate, registered in the Company's share register in the name of the Holder or its designee, for the number of Warrant Shares to which the Holder is entitled pursuant to such exercise. The Company shall be responsible for all fees and expenses of the Transfer Agent and all fees and expenses with respect to the issuance of Warrant Shares via DTC, if any. Upon delivery of the Exercise Notice and the Aggregate Exercise Price, the Holder shall be deemed for all corporate purposes to have become the holder of record of the Warrant Shares with respect to which this Warrant has been exercised, irrespective of the date such Warrant Shares are credited to the Holder's DTC account or the date of delivery of the certificates evidencing such Warrant Shares, as the case may be. If this Warrant is submitted in connection with any exercise pursuant to this Section 1(a) and the number of Warrant Shares represented by this Warrant submitted for exercise is greater than the number of Warrant Shares being acquired upon an exercise, then the Company shall as soon as practicable and in no event later than three Trading Days after any exercise and at its own expense, issue a new Warrant (in accordance with Section 5(d)) representing the right to purchase the number of Warrant Shares issuable immediately prior to such exercise under this Warrant, less the number of Warrant Shares with respect to which this Warrant is exercised. No fractional Warrant Shares are to be issued upon the exercise of this Warrant, but rather the number of Warrant Shares to be issued shall be rounded up to the nearest whole number. The Company shall pay any and all transfer, stamp, issuance and similar taxes which may be payable with respect to the issuance and delivery of Warrant Shares upon exercise of this Warrant.

(b) Exercise Price. For purposes of this Warrant, "Exercise Price" means $2.50 per share, subject to adjustment as provided herein.

(c) Disputes. In the case of a dispute as to the determination of the Exercise Price or the arithmetic calculation of the number of Warrant Shares, the Company shall promptly issue to the Holder the number of Warrant Shares that are not disputed and resolve such dispute in accordance with the terms of this Warrant.

(d) Insufficient Authorized Shares. If at any time while this Warrant remains outstanding the Company does not have a sufficient number of authorized and unreserved shares of Common Stock to satisfy its obligation to reserve for issuance upon exercise of this Warrant at least a number of shares of Common Stock equal to 100% of the number of shares of Common Stock as shall from time to time be necessary to effect the exercise of all of this Warrant then outstanding (the "**Required Reserve Amount**" and the failure to have such sufficient number of authorized and unreserved shares of Common Stock, an "**Authorized Share Failure**"), then the Company shall immediately take all action necessary to increase the Company's authorized shares of Common Stock to an amount sufficient to allow the Company to reserve the Required Reserve Amount for this Warrant then outstanding. Without limiting the generality of the foregoing sentence, as soon as practicable after the date of the occurrence of an Authorized Share Failure, but in no event later than 60 days after the occurrence of such Authorized Share Failure, the Company shall hold a meeting of its stockholders for the approval of an increase in the number of authorized shares of Common Stock. In connection with such meeting, the Company shall provide each stockholder with a proxy statement and shall use its best efforts to solicit its stockholders' approval of such increase in authorized shares of Common Stock and to cause its board of directors to recommend to the stockholders that they approve such proposal. Notwithstanding the foregoing, if any such time of an Authorized Share Failure, the Company is able to obtain the written consent of a majority of the shares of its issued and outstanding shares of Common Stock to approve the increase in the number of authorized shares of Common Stock, the Company may satisfy this obligation by obtaining such consent and submitting for filing with the Securities and Exchange Commission an Information Statement on Schedule 14C.

(e) Cashless Exercise. The Holder may elect to pay the Exercise Price by instructing the Company to withhold a number of Warrant Shares then issuable upon exercise of this Warrant with an aggregate Fair Market Value as of the date of the Exercise Notice equal to the Aggregate Exercise Price. In the event of any withholding of Warrant Shares pursuant to this Section 1(e) where the number of shares whose value is equal to the Aggregate Exercise Price is not a whole number, the number of shares withheld by or surrendered to the Company shall be rounded up to the nearest whole share and the Company shall make a cash payment to the Holder (by delivery of a certified or official bank check or by wire transfer of immediately available funds) based on the incremental fraction of a share being so withheld by or surrendered to the Company in an amount equal to the product of (x) such incremental fraction of a share being so withheld or surrendered multiplied by (y) the Fair Market Value per Warrant Share as of the date of the Exercise Notice.

2. ADJUSTMENT OF EXERCISE PRICE AND NUMBER OF WARRANT SHARES. The Exercise Price and the number of Warrant Shares shall be adjusted from time to time as follows:

(a) Voluntary Adjustment By Company. The Company may at any time during the term of this Warrant, with the prior written consent of the Required Holders, reduce the then current Exercise Price to any amount and for any period of time deemed appropriate by the Board of Directors of the Company.

(b) Adjustment Upon Subdivision or Combination of Common Stock. If the Company at any time on or after the Issuance Date subdivides (by any stock split, stock dividend, recapitalization or otherwise) one or more classes of its outstanding shares of Common Stock into a greater number of shares, the Exercise Price in effect immediately prior to such subdivision will be proportionately reduced and the number of Warrant Shares will be proportionately increased. If the Company at any time on or after the Issuance Date combines (by combination, reverse stock split or otherwise) one or more classes of its outstanding shares of Common Stock into a smaller number of shares, the Exercise Price in effect immediately prior to such combination will be proportionately increased and the number of Warrant Shares will be proportionately decreased. Any adjustment under this Section 2(b) shall become effective at the close of business on the date the subdivision or combination becomes effective.

(c) Adjustment Upon Reorganization, Reclassification, Consolidation or Merger. In the event of any (i) capital reorganization of the Company, (ii) reclassification of the stock of the Company (other than a change in par value or from par value to no par value or from no par value to par value or as a result of a stock dividend or subdivision, split-up or combination of shares), (iii) consolidation or merger of the Company with or into another Person, (iv) sale of all or substantially all of the Company's assets to another Person or (v) other similar transaction, in each case which entitles the holders of Common Stock to receive (either directly or upon subsequent liquidation) stock, securities or assets with respect to or in exchange for Common Stock, each Warrant shall, immediately after such reorganization, reclassification, consolidation, merger, sale or similar transaction, remain outstanding and shall thereafter, in lieu of or in addition to (as the case may be) the number of Warrant Shares then exercisable under this Warrant, be exercisable for the kind and number of shares of stock or other securities or assets of the Company or of the successor Person resulting from such transaction to which the Holder would have been entitled upon such reorganization, reclassification, consolidation, merger, sale or similar transaction if the Holder had exercised this Warrant in full immediately prior to the time of such reorganization, reclassification, consolidation, merger, sale or similar transaction and acquired the applicable number of Warrant Shares then issuable hereunder as a result of such exercise (without taking into account any limitations or restrictions on the exercisability of this Warrant); and, in such case, appropriate adjustment (in form and substance satisfactory to the Holder) shall be made with respect to the Holder's rights under this Warrant to insure that the provisions of this Section 2 hereof shall thereafter be applicable, as nearly as possible, to this Warrant in relation to any shares of stock, securities or assets thereafter acquirable upon exercise of this Warrant (including, in the case of any consolidation, merger, sale or similar transaction in which the successor or purchasing Person is other than the Company, an immediate adjustment in the Exercise Price to the value per share for the Common Stock reflected by the terms of such consolidation, merger, sale or similar transaction, and a corresponding immediate adjustment to the number of Warrant Shares acquirable upon exercise of this Warrant without regard to any limitations or restrictions on exercise, if the value so reflected is less than the Exercise Price in effect immediately prior to such consolidation, merger, sale or similar transaction). The provisions of this Section 2(c) shall similarly apply to successive reorganizations, reclassifications, consolidations, mergers, sales or similar transactions. The Company shall not effect any such reorganization, reclassification, consolidation, merger, sale or similar transaction unless, prior to the consummation thereof, the successor Person (if other than the Company) resulting from such reorganization, reclassification, consolidation, merger, sale or similar transaction, shall assume, by written instrument substantially similar in form and substance to this Warrant and satisfactory to the Holder, the obligation to deliver to the Holder such shares of stock, securities or assets which, in accordance with the foregoing provisions, such Holder shall be entitled to receive upon exercise of this Warrant. Notwithstanding anything to the contrary contained herein, with respect to any corporate event or other transaction contemplated by the provisions of this Section 2(c), the Holder shall have the right to elect prior to the consummation of such event or transaction, to give effect to the exercise rights contained in Section 1 instead of giving effect to the provisions contained in this Section 2(c) with respect to this Warrant.

3. NONCIRCUMVENTION. The Company hereby covenants and agrees that the Company will not, by amendment of its Articles of Incorporation or Bylaws, or through any reorganization, transfer of assets, consolidation, merger, scheme of arrangement, dissolution, issue or sale of securities, or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms of this Warrant, and will at all times in good faith carry out all of the provisions of this Warrant and take all action as may be required to protect the rights of the Holder. Without limiting the generality of the foregoing, the Company (i) shall not increase the par value of any shares of Common Stock receivable upon the exercise of this Warrant above the Exercise Price then in effect, (ii) shall take all such actions as may be necessary or appropriate in order that the Company may validly and legally issue fully paid and nonassessable shares of Common Stock upon the exercise of this Warrant, and (iii) shall, so long as any of the Loan Warrants are outstanding, take all action necessary to reserve and keep available out of its authorized and unissued shares of Common Stock, solely for the purpose of effecting the exercise of the Loan Warrants, 100% of the number of shares of Common Stock as shall from time to time be necessary to effect the exercise of the Loan Warrants then outstanding.

4. WARRANT HOLDER NOT DEEMED A STOCKHOLDER. The Holder, solely in its capacity as a holder of this Warrant, shall not be entitled to vote or receive dividends or be deemed the holder of share capital of the Company for any purpose, nor shall anything contained in this Warrant be construed to confer upon the Holder, solely in its capacity as the Holder of this Warrant, any of the rights of a stockholder of the Company or any right to vote, give or withhold consent to any corporate action (whether any reorganization, issue of stock, reclassification of stock, consolidation, merger, conveyance or otherwise), receive notice of meetings, receive dividends or subscription rights, or otherwise, prior to the issuance to the Holder of the Warrant Shares which it is then entitled to receive upon the due exercise of this Warrant. In addition, nothing contained in this Warrant shall be construed as imposing any liabilities on the Holder to purchase any securities (upon exercise of this Warrant or otherwise) or as a stockholder of the Company, whether such liabilities are asserted by the Company or by creditors of the Company.

5. REISSUANCE OF WARRANTS.

(a) Transfer of Warrant. If this Warrant is to be transferred, the Holder shall surrender this Warrant to the Company, whereupon the Company will forthwith issue and deliver upon the order of the Holder a new Warrant (in accordance with Section 5(d)), registered as the Holder may request, representing the right to purchase the number of Warrant Shares being transferred by the Holder and, if less than the total number of Warrant Shares then underlying this Warrant is being transferred, a new Warrant (in accordance with Section 5(d)) to the Holder representing the right to purchase the number of Warrant Shares not being transferred.

(b) Lost, Stolen or Mutilated Warrant. Upon receipt by the Company of evidence reasonably satisfactory to the Company of the loss, theft, destruction or mutilation of this Warrant, and, in the case of loss, theft or destruction, of any indemnification undertaking by the Holder to the Company in customary form and, in the case of mutilation, upon surrender and cancellation of this Warrant, the Company shall execute and deliver to the Holder a new Warrant (in accordance with Section 5(d)) representing the right to purchase the Warrant Shares then underlying this Warrant.

(c) Exchangeable for Multiple Warrants. This Warrant is exchangeable, upon the surrender hereof by the Holder at the principal office of the Company, for a new Warrant or Warrants (in accordance with Section 5(d)) representing in the aggregate the right to purchase the number of Warrant Shares then underlying this Warrant, and each such new Warrant will represent the right to purchase such portion of such Warrant Shares as is designated by the Holder at the time of such surrender; provided, however, that no Loan Warrants for fractional Warrant Shares shall be given.

(d) Issuance of New Warrants. Whenever the Company is required to issue a new Warrant pursuant to the terms of this Warrant, such new Warrant (i) shall be of like tenor with this Warrant, (ii) shall represent, as indicated on the face of such new Warrant, the right to purchase the Warrant Shares then underlying this Warrant (or in the case of a new Warrant being issued pursuant to Section 5(a) or Section 5(c), the Warrant Shares designated by the Holder which, when added to the number of shares of Common Stock underlying the other new Warrants issued in connection with such issuance, does not exceed the number of Warrant Shares then underlying this Warrant), (iii) shall have an issuance date, as indicated on the face of such new Warrant which is the same as the Issuance Date, and (iv) shall have the same rights, terms and conditions as this Warrant.

6. REPRESENTATIONS AND WARRANTIES OF THE HOLDER. As of the Issuance Date and upon delivery of each Exercise Notice, the Holder represents and warrants to the Company as follows:

(a) No Public Sale or Distribution. The Holder is acquiring this Warrant, and when issued in accordance with the terms of this Warrant, the Warrant Shares, in the ordinary course of its business for its own account and not with a view towards, or for resale in connection with, the public sale or distribution thereof, except pursuant to sales registered or exempted under the Securities Act of 1933, as amended (the "**Securities Act**"). The Holder does not presently have any agreement or understanding, directly or indirectly, with any Person to distribute any of the Securities.

(b) Holder Status and Experience. The Holder is, and on each date on which the Holder acquires any Warrant Shares it will be, an "accredited investor" as that term is defined in Rule 501(a) of Regulation D. The Holder, either alone or together with its representatives, has such knowledge, sophistication and experience in business and financial matters so as to be capable of evaluating the merits and risks of the investment in the Securities, and has so evaluated the merits and risks of such investment. The Holder is able to bear the economic risk of an investment in the Securities and, at the present time, is able to afford a complete loss of such investment.

(c) Information. The Holder and its advisors, if any, have been furnished with all materials relating to the business finances and operations of the Company and materials relating to the offer and issuance of the Securities that have been requested by the Holder. The Holder and its advisors, if any, have been afforded the opportunity to ask questions of the Company and receive answers from the Company concerning the terms and conditions of the offering of the Securities, the merits of investing in the Securities and the business, finances and operations of the Company. Neither such inquiries nor any other due diligence investigations conducted by the Holder or is advisors, if any, or its representatives shall modify, amend or affect the Holder's right to rely on the Company's representations and warranties contained herein. The Holder understands that its investment in the Securities involves a high degree of risk. The Holder has sought such accounting, legal and tax advice as it has considered necessary to make an informed investment decision with respect to its acquisition of the Securities.

(d) Transfer or Resale. The Holder understands that: (i) the Securities are "restricted securities" under applicable securities laws and have not been and are not being registered under the Securities Act or any state securities laws, and may not be offered for sale, sold, assigned or transferred unless (A) subsequently registered thereunder, (B) the Holder shall have delivered to the Company (if requested by the Company) an opinion of counsel, in a form reasonably acceptable to the Company, to the effect that such Securities to be sold, assigned or transferred may be sold, assigned or transferred pursuant to an exemption from such registration, or (C) the Holder provides the Company with reasonable assurance that such Securities can be sold, assigned or transferred pursuant to Rule 144 or Rule 144A promulgated under the Securities Act (or a successor rule thereto) (collectively, "**Rule 144**"); (ii) any sale of the Securities made in reliance on Rule 144 may be made only in accordance with the terms of Rule 144 and further, if Rule 144 is not applicable, any resale of the Securities under circumstances in which the seller (or the Person through whom the sale is made) may be deemed to be an underwriter (as that term is defined in the Securities Act) may require compliance with some other exemption under the Securities Act or the rules and regulations of the Securities and Exchange Commission thereunder; and (iii) neither the Company nor any other Person is under any obligation to register the Securities under the Securities Act or any state securities laws or to assist the Holder to comply with the terms and conditions of any exemption thereunder. Notwithstanding the foregoing, the Securities may be pledged in connection with a bona fide margin account with a FINRA registered broker/dealer or other loan or financing arrangement with an accredited investor secured by the Securities and such pledge of Securities shall not be deemed to be a transfer, sale or assignment of the Securities hereunder, and if the Holder effects such a pledge of Securities it shall not be required to provide the Company with any notice thereof or otherwise make any delivery to the Company pursuant to this Agreement. The Holder understands that the Warrant Shares shall bear such restrictive legend as required by the Company. THE HOLDER UNDERSTANDS THAT THE WARRANT SHARES WILL BE SUBJECT TO THE TERMS AND PROVISIONS OF (A) THE ARTICLES OF INCORPORATION OF THE COMPANY, AS AMENDED FROM TIME TO TIME, INCLUDING, WITHOUT LIMITATION, THE CERTIFICATES OF DESIGNATION RELATING TO ALL SERIES OF PREFERRED STOCK, AND THE RELATIVE RIGHTS, PREFERENCES, RESTRICTIONS, DESIGNATIONS, QUALIFICATIONS AND PRIVILEGES SET FORTH THEREIN AND IMPOSED THEREON AND UPON THE HOLDERS THEREOF, AND (B) THE BYLAWS OF THE COMPANY, AS AMENDED FROM TIME TO TIME, INCLUDING, WITHOUT LIMITATION, A REDEMPTION RIGHT IN FAVOR OF THE COMPANY, TO ALL OF WHICH TERMS AND PROVISIONS THE HOLDER, BY ACCEPTANCE HEREOF, ASSENTS.

(e) Reliance on Exemptions. The Holder understands that the Securities are being offered and issued to it in reliance on specific exemptions from the registration requirements of applicable securities laws and that the Company is relying in part upon the truth and accuracy of, and the Holder's compliance with, the representations and warranties of the Holder set forth herein in order to determine the availability of such exemptions and eligibility of the Holder to acquire the Securities.

(f) Bad Actor. Neither the Holder, nor any of its directors, executive officers, general partners, managers, managing members or beneficial owners of 20% of the Holder's outstanding voting equity securities, calculated on the basis of voting power, is subject to any "Bad Actor" disqualifications described in Rule 506(d)(1)(i) to (viii) promulgated under the Securities Act (a "**Disqualification Event**"), except for a Disqualification Event (i) contemplated by Rule 506(d)(2) promulgated under the Securities Act, and (ii) a description of which has been furnished in writing to the Company before the date hereof.

(g) FINRA Lists. The Holder is not included in the list of entities barred by the Financial Industry Regulatory Authority.

(h) Blocked Persons and Sanctions. Neither the Holder nor any director, officer, employee, agent, affiliate or other Person associated with or acting on behalf of the Holder is, or is directly or indirectly owned or controlled by, a Person that is restricted from doing business under the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, H.R. 3162, Public Law 107-56, as amended (commonly known as the "USA Patriot Act"), or any executive order, including, without limitation, Executive Order Number 13224 on Terrorism Financing, effective September 24, 2001, and the regulations promulgated pursuant thereto or currently the subject or the target of any sanctions administered or enforced, or any relevant lists maintained, by the U.S. government (including, without limitation, the Office of Foreign Assets Control of the U.S. Department of the Treasury or the U.S. Departments of State or Commerce and including, without limitation, the designation as a "Specially Designated National" or on the "Sectoral Sanctions Identifications List", collectively "**Blocked Persons**"), the United Nations, the European Union, Her Majesty's Treasury, the North Atlantic Treaty Organization, the Financial Action Task Force on Money Laundering of Organization for Economic Cooperation and Development, or any other relevant sanctions authority (collectively, "**Sanctions Laws**"); neither the Holder, nor any director, officer, employee, agent, affiliate or other Person associated with or acting on behalf of the Holder is located, organized or resident in a country or territory that is the subject or target of a comprehensive embargo or Sanctions Laws prohibiting trade with the country or territory, including, without limitation, Crimea, Cuba, Iran, North Korea, Sudan and Syria (each, a "**Sanctioned Country**"); neither the Holder nor any director, officer, employee, agent, affiliate or other Person associated with or acting on behalf of the Holder, acting in any capacity in connection with the operations of the Holder, conducts any business with or for the benefit of any Blocked Person or engages in making or receiving any contribution of funds, goods or services to, from or for the benefit of any Blocked Person, or deals in, or otherwise engages in any transaction relating to, any property or interests in property blocked or subject to blocking pursuant to any applicable Sanctions Laws. The Holder has not knowingly engaged in and is not now knowingly engaged in any dealings or transactions with any Person that at the time of the dealing or transaction is or was the subject or the target of Sanctions Laws or with any Sanctioned Country.

(i) Foreign Political Figure. Neither the Holder nor any of its directors, executive officers, general partners, managers, managing members or beneficial owners is a senior foreign political figure, any member of a senior foreign political figure's immediate family or any close associate of a senior foreign political figure.

7. NOTICES.

(a) Whenever notice is required to be given under this Warrant, unless otherwise provided herein, such notice shall be given in accordance with Section 9.01 of the Loan Agreement. The Company shall provide the Holder with prompt written notice of all actions taken pursuant to this Warrant, including in reasonable detail a description of such action and the reason therefor. Without limiting the generality of the foregoing, the Company will give written notice to the Holder immediately upon any adjustment of the Exercise Price, setting forth in reasonable detail, and certifying, the calculation of such adjustment.

(b) In the event:

(i) that the Company shall take a record of the holders of its Common Stock (or other capital stock or securities at the time issuable upon exercise of the Warrant) for the purpose of entitling or enabling them to receive any dividend or other distribution, to vote at a meeting (or by written consent), to receive any right to subscribe for or purchase any shares of capital stock of any class or any other securities, or to receive any other security; or

(ii) of any capital reorganization of the Company, any reclassification of the Common Stock of the Company, any consolidation or merger of the Company with or into another Person, or sale of all or substantially all of the Company's assets to another Person; or

(iii) of the voluntary or involuntary dissolution, liquidation or winding-up of the Company;

then, and in each such case, the Company shall send or cause to be sent to the Holder at least 20 Business Days prior to the applicable record date or the applicable expected effective date, as the case may be, for the event, a written notice specifying, as the case may be, (A) the record date for such dividend, distribution, meeting or consent or other right or action, and a description of such dividend, distribution or other right or action to be taken at such meeting or by written consent, or (B) the effective date on which such reorganization, reclassification, consolidation, merger, sale, dissolution, liquidation or winding-up is proposed to take place, and the date, if any is to be fixed, as of which the books of the Company shall close or a record shall be taken with respect to which the holders of record of Common Stock (or such other capital stock or securities at the time issuable upon exercise of the Warrant) shall be entitled to exchange their shares of Common Stock (or such other capital stock or securities) for securities or other property deliverable upon such reorganization, reclassification, consolidation, merger, sale, dissolution, liquidation or winding-up, and the amount per share and character of such exchange applicable to the Warrant and the Warrant Shares.

8. AMENDMENT AND WAIVER. Except as otherwise provided herein, the provisions of this Warrant and the other Loan Warrants may be amended or waived and the Company may take any action herein prohibited, or omit to perform any act herein required to be performed by it, only if the Company has obtained the written consent of the Required Holders and any amendment, waiver or action made in conformity with the provisions of this Section 8 shall be binding on all holders of Loan Warrants and the Company. The Holder acknowledges and agrees that by operation of this Section 8, the Required Holders will have the right and power to amend this Warrant and the other Loan Warrants, including, without limitation, the power to diminish or eliminate all rights of the Holder under this Warrant.

9. GOVERNING LAW; JURISDICTION; JURY TRIAL. This Warrant shall be governed by and construed and enforced in accordance with, and all questions concerning the construction, validity, interpretation and performance of this Warrant shall be governed by, the internal laws of the State of New York, without giving effect to any choice of law or conflict of law provision or rule (whether of the State of New York or any other jurisdictions) that would cause the application of the laws of any jurisdictions other than the State of New York. The Company and the Holder each hereby irrevocably submits to the exclusive jurisdiction of the state and federal courts sitting in The City of New York, Borough of Manhattan, for the adjudication of any dispute hereunder or in connection herewith or with any transaction contemplated hereby or discussed herein, and each hereby irrevocably waives, and agrees not to assert in any suit, action or proceeding, any claim that it is not personally subject to the jurisdiction of any such court, that such suit, action or proceeding is brought in an inconvenient forum or that the venue of such suit, action or proceeding is improper. The Company and the Holder each hereby irrevocably waives personal service of process and consents to process being served in any such suit, action or proceeding by mailing a copy thereof to the respective address set forth in Section 9.01 of the Loan Agreement or otherwise designated in writing pursuant to Section 9.01 of the Loan Agreement and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing contained herein shall be deemed to limit in any way any right to serve process in any manner permitted by law. THE COMPANY AND THE HOLDER EACH HEREBY IRREVOCABLY WAIVES ANY RIGHT IT MAY HAVE, AND AGREES NOT TO REQUEST, A JURY TRIAL FOR THE ADJUDICATION OF ANY DISPUTE HEREUNDER OR IN CONNECTION WITH OR ARISING OUT OF THIS WARRANT.

10. CONSTRUCTION; HEADINGS. This Warrant shall be deemed to be jointly drafted by the Company and the Holder and shall not be construed against any Person as the drafter hereof. The headings of this Warrant are for convenience of reference and shall not form part of, or affect the interpretation of, this Warrant.

11. REMEDIES, OTHER OBLIGATIONS, BREACHES AND INJUNCTIVE RELIEF. The remedies provided in this Warrant shall be cumulative and in addition to all other remedies available under this Warrant and the other Loan Documents (as defined in the Loan Agreement), at law or in equity (including, without limitation, a decree of specific performance and/or other injunctive relief), and nothing herein shall limit the right of the Holder to pursue actual damages for any failure by the Company to comply with the terms of this Warrant. The Company acknowledges that a breach by it of its obligations hereunder will cause irreparable harm to the Holder and that the remedy at law for any such breach may be inadequate. The Company therefore agrees that, in the event of any such breach, the holder of this Warrant shall be entitled, in addition to all other available remedies, to an injunction restraining any breach.

12. TRANSFER. This Warrant and the Warrant Shares may be offered for sale, sold, transferred, pledged or assigned without the consent of the Company, subject to compliance with all applicable federal and state securities laws.

13. SEVERABILITY. If any provision of this Warrant is prohibited by law or otherwise determined to be invalid or unenforceable by a court of competent jurisdiction, the provision that would otherwise be prohibited, invalid or unenforceable shall be deemed amended to apply to the broadest extent that it would be valid and enforceable, and the invalidity or unenforceability of such provision shall not affect the validity of the remaining provisions of this Warrant so long as this Warrant as so modified continues to express, without material change, the original intentions of the parties as to the subject matter hereof and the prohibited nature, invalidity or unenforceability of the provision(s) in question does not substantially impair the respective expectations or reciprocal obligations of the parties or the practical realization of the benefits that would otherwise be conferred upon the parties. The parties will endeavor in good faith negotiations to replace the prohibited, invalid or unenforceable provision(s) with a valid provision(s), the effect of which comes as close as possible to that of the prohibited, invalid or unenforceable provision(s).

14. CERTAIN DEFINITIONS. For purposes of this Warrant, the following terms shall have the following meanings:

(a) "**Business Day**" means any day other than Saturday, Sunday or other day on which commercial banks in The City of New York are authorized or required by law to remain closed.

(b) "**Common Stock**" means (i) the Company's shares of common stock, par value $0.001 per share, and (ii) any stock capital into which such Common Stock shall have been changed or any stock capital resulting from a reclassification, reorganization or reclassification of such Common Stock.

(c) "**Expiration Date**" means the date 60 months after the Issuance Date or, if such date falls on a day other than a Business Day or a Trading Day (such day, a "**Holiday**"), the next day that is not a Holiday.

(d) "**Fair Market Value**" means, as of any particular date, the arithmetic average over the 20 consecutive Trading Days ending on the Trading Day immediately prior to the day as of which "Fair Market Value" is being determined of, as applicable, (i) the volume weighted average of the closing sales prices of the Common Stock for such day on all domestic securities exchanges on which the Common Stock may at the time be listed; (ii) if there have been no sales of the Common Stock on any such exchange on any such day, the average of the highest bid and lowest asked prices for the Common Stock on all such exchanges at the end of such day; (iii) if on any such day the Common Stock is not listed on a domestic securities exchange, the closing sales price of the Common Stock as quoted on the Principal Market; or (iv) if there have been no sales of the Common Stock on Principal Market on any such day, the average of the highest bid and lowest asked prices for the Common Stock quoted on the Princial Market at the end of such day. If at any time the Common Stock is not listed on any domestic securities exchange or quoted on the Principal Market or similar quotation system or association, the "Fair Market Value" of the Common Stock shall be the fair market value per share as determined jointly by the Company and the Holder; *provided*, that if the Company and the Holder are unable to agree on the fair market value per share of the Common Stock within a reasonable period of time (not to exceed 20 days from the Company's receipt of the Exercise Notice), such fair market value shall be determined by a nationally recognized investment banking, accounting or valuation firm jointly selected by the Company and the Holder. The determination of such firm shall be final and conclusive, and the fees and expenses of such firm shall be borne by the Company. All such determinations shall be appropriately adjusted for any stock dividend, stock split, stock combination, reclassification or other similar transaction during the applicable calculation period.

(e) "**Person**" means an individual, a limited liability company, a partnership, a joint venture, a corporation, a trust, an unincorporated organization, any other entity and a government or any department or agency thereof.

(f) "**Principal Market**" means the OTCQX.

(g) "**Required Holders**" means the holders of the Loan Warrants representing at least a majority of the shares of Common Stock underlying all of the Loan Warrants then outstanding.

(h) "**Trading Day**" means any day on which the Common Stock is traded or qualified for quotation on the Principal Market, or, if the Principal Market is not the principal trading market for the Common Stock on such day, then on the principal securities exchange or securities market on which the Common Stock is then traded or qualified for quotation.

[Signature Page Follows]

IN WITNESS WHEREOF, the Company has caused this Warrant to Purchase Common Stock to be duly executed as of the Issuance Date set out above.

MEDICINE MAN TECHNOLOGIES, INC.

By: /s/ Justin Dye
Name: Jusin Dye
Title: Chief Executive Officer

EXHIBIT A

FORM OF EXERCISE NOTICE
TO BE EXECUTED BY THE REGISTERED HOLDER TO EXERCISE THIS
WARRANT TO PURCHASE COMMON STOCK
MEDICINE MAN TECHNOLOGIES, INC.

The undersigned holder hereby exercises the right to purchase _____ shares of Common Stock ("**Warrant Shares**") of Medicine Man Technologies, Inc., a Nevada corporation d/b/a/ Schwazze (the "**Company**"), evidenced by the attached Warrant to Purchase Common Stock (the "**Warrant**"). Capitalized terms used herein and not otherwise defined shall have the respective meanings set forth in the Warrant.

1. Payment of Exercise Price. The holder shall pay the Aggregate Exercise Price in the sum of $_____ to the Company in accordance with the terms of the Warrant. Payment is to be paid [ ] in cash or [ ] pursuant to Section 1(e) of the Warrant.

2. Delivery of Warrant Shares. The Company shall deliver to the holder _____ Warrant Shares in accordance with the terms of the Warrant.

3. Representations and Warranties. The representations and warranties set forth in Section 6 of the Warrant are true and correct in all respects with the same effect as though such representations and warranties had been made as of the date of this Exercise Notice.

Please issue the Warrant Shares in the following name and to the following account:

Issue to: _____

_____

_____

Facsimile Number and Electronic Mail: _____

Authorization: _____

By: _____

Title: _____

Dated: _____

Broker Name: _____

Broker DTC #: _____

Broker Telephone #: _____

Account Number: _____
(if electronic book entry transfer)

Transaction Code Number: _____
(if electronic book entry transfer)

ACKNOWLEDGMENT

The Company hereby acknowledges this Exercise Notice and hereby directs the Transfer Agent to issue the above indicated number of shares of Common Stock.

MEDICINE MAN TECHNOLOGIES, INC.

By: _____
Name:
Title:

Exhibit 10.1

SECURITIES PURCHASE AGREEMENT

SECURITIES PURCHASE AGREEMENT (this "**Agreement**"), dated as of February 26, 2021 by and between Medicine Man Technologies, Inc. a Nevada corporation (the "**Company**"), and CRW Capital Cann Holdings, LLC, a Delaware limited liability company (the "**Buyer**").

WHEREAS:

A. The Company and the Buyer are executing and delivering this Agreement in reliance upon the exemption from securities registration afforded by Section 4(a)(2) of the Securities Act of 1933, as amended (the "**1933 Act**"), and Rule 506(b) of Regulation D ("**Regulation D**") as promulgated by the United States Securities and Exchange Commission (the "**SEC**") under the 1933 Act.

B. The Buyer wishes to purchase, and the Company wishes to sell, upon the terms and conditions stated in this Agreement, an aggregate of up to **30,000** shares (such shares issued at each Closing (as defined below) hereunder are referred to herein as the "**Shares**") of the Company's Series A preferred stock, par value $0.001 per share (the "**Preferred Stock**"), having the rights, preferences and privileges set forth in the Certificate of Designation filed with the Nevada Secretary of State on December 16, 2020 (the "**Certificate of Designation**"), including the conversion of such Preferred Stock into shares of the Company's common stock, par value $0.001 per share ("**Common Stock**"). Such purchase and sale of Preferred Stock shall take place in one or more closings (each applicable closing, the "**Closing**"), subject to the terms and conditions of this Agreement, provided that no Closing shall take place after March 5, 2021 without the mutual written agreement of the Buyer and the Company.

C. (i) The Shares and (ii) the shares of Common Stock issued and issuable upon conversion of the Shares in accordance with the terms of the Certificate of Designation (collectively, the "**Underlying Shares**"), are collectively referred to herein as the "**Securities**."

NOW, THEREFORE, the Company and the Buyer hereby agree as follows:

1. PURCHASE AND SALE OF SHARES.

(a) Purchase of Shares. Subject to the satisfaction (or waiver) of the conditions set forth in Sections 5 and 6 below at each Closing, the Company shall issue and sell to the Buyer and the Buyer agrees to purchase from the Company at each Closing the number of Shares determined upon mutual written agreement of the Buyer and the Company (up to an aggregate of **30,000** Shares).

(b) Closing. The date of each Closing shall be on such date and time as is mutually agreed to by the Company and the Buyer after notification of satisfaction (or waiver) of the conditions to such Closing set forth in Sections 5 and 6 below, and each Closing shall be undertaken remotely by electronic transfer of Closing documentation.

(c) Purchase Price. The purchase price for the Shares to be purchased by the Buyer at each Closing shall be $1,000 per Share (the "**Purchase Price**").

(d) Form of Payment. On or before each Closing, (i) the Buyer shall pay the aggregate Purchase Price to the Company for the Shares to be issued and sold to the Buyer at such Closing by wire transfer of immediately available funds in accordance with the Company's written wire instructions; and (ii) the Company shall deliver to the Buyer one or more stock certificates, evidencing the number of Shares the Buyer is purchasing at such Closing, duly executed on behalf of the Company and registered in the name of the Buyer.

2. BUYER'S REPRESENTATIONS AND WARRANTIES. The Buyer represents and warrants to the Company that, as of the date hereof and as of each Closing (unless as of a specific date therein, in which case they shall be accurate as of such date):

(a) No Public Sale or Distribution. The Buyer is (i) acquiring the Shares, and (ii) when issued in accordance with the terms of the Certificate of Designation, will acquire the Underlying Shares, in the ordinary course of its business for its own account and not with a view towards, or for resale in connection with, the public sale or distribution thereof, except pursuant to sales registered or exempted under the 1933 Act; provided, however, that by making the representations herein, except as otherwise set forth herein or the other Transaction Documents (as defined in Section 3(b)), the Buyer does not agree to hold any of the Securities for any minimum or other specific term and reserves the right to dispose of the Securities at any time in accordance with or pursuant to a registration statement or an exemption under the 1933 Act. The Buyer does not presently have any agreement or understanding, directly or indirectly, with any Person to distribute any of the Securities. As used herein, "**Person**" means an individual, a limited liability company, a partnership, a joint venture, a corporation, a trust, an unincorporated organization, any other entity and any governmental entity or any department or agency thereof.

(b) Buyer Status and Experience. The Buyer is, and on each date on which the Buyer acquires any Underlying Shares it will be, an "accredited investor" as that term is defined in Rule 501(a) of Regulation D ("**Accredited Investor**"). The Buyer, either alone or together with its representatives, has such knowledge, sophistication and experience in business and financial matters so as to be capable of evaluating the merits and risks of the investment in the Securities, and has so evaluated the merits and risks of such investment. The Buyer is able to bear the economic risk of an investment in the Securities and, at the present time, is able to afford a complete loss of such investment.

(c) Reliance on Exemptions. The Buyer understands that the Securities are being offered and sold to it in reliance on specific exemptions from the registration requirements of the United States federal and state securities laws and that the Company is relying in part upon the truth and accuracy of, and the Buyer's compliance with, the representations, warranties, agreements, acknowledgments and understandings of the Buyer set forth herein in order to determine the availability of such exemptions and the eligibility of the Buyer to acquire the Securities.

(d) Information. The Buyer and its advisors, if any, have been furnished with a copy of the Company's Confidential Private Placement Memorandum, dated November 6, 2020, the Company's Supplement No. 1 to Confidential Private Placement Memorandum, dated February 2, 2021 and the Company's Supplement No. 2 to Confidential Private Placement Memorandum, dated February 24, 2021 (collectively, the "**Confidential PPM**"). The Buyer has had access to such information and materials relating to the business, finances and operations of the Company, including the terms of the Proposed Transaction (as defined below), that have been requested by the Buyer and to the satisfaction of the Buyer. The Buyer and its advisors, if any, have been afforded the opportunity to ask questions of the Company and receive answers from the Company concerning the terms and conditions of the offering of the Securities, the merits and risks of investing in the Securities and the business, finances and operations of the Company to the satisfaction of the Buyer. Neither such inquiries nor any other due diligence investigations conducted by the Buyer or its advisors, if any, or its representatives shall modify, amend or affect the Buyer's right to rely on the Company's representations and warranties contained herein. The Buyer understands that its investment in the Securities involves a high degree of risk, including the risks outlined in the Confidential PPM. The Buyer has sought such accounting, legal and tax advice as it has considered necessary to make an informed investment decision with respect to its acquisition of the Securities.

(e) No Governmental Review. The Buyer understands that no United States federal or state agency or any other government or governmental agency has passed on or made any recommendation or endorsement of the Securities or the fairness or suitability of the investment in the Securities nor have such authorities passed upon or endorsed the merits of the offering of the Securities.

(f) Transfer or Resale. The Buyer understands that: (i) the Securities have not been and are not being registered under the 1933 Act or any state securities laws, and may not be offered for sale, sold, assigned or transferred unless (A) subsequently registered thereunder, (B) the Buyer shall have delivered to the Company (if requested by the Company) an opinion of counsel, in a form reasonably acceptable to the Company, to the effect that such Securities to be sold, assigned or transferred may be sold, assigned or transferred pursuant to an exemption from such registration, or (C) the Buyer provides the Company with reasonable assurance that such Securities can be sold, assigned or transferred pursuant to Rule 144 or Rule 144A promulgated under the 1933 Act, as amended, (or a successor rule thereto) (collectively, "**Rule 144**"); (ii) any sale of the Securities made in reliance on Rule 144 may be made only in accordance with the terms of Rule 144 and further, if Rule 144 is not applicable, any resale of the Securities under circumstances in which the seller (or the Person through whom the sale is made) may be deemed to be an underwriter (as that term is defined in the 1933 Act) may require compliance with some other exemption under the 1933 Act or the rules and regulations of the SEC thereunder; and (iii) except as otherwise provided herein, neither the Company nor any other Person is under any obligation to register the Securities under the 1933 Act or any state securities laws or to comply with the terms and conditions of any exemption thereunder. Notwithstanding the foregoing, the Securities may be pledged in connection with a bona fide margin account with a FINRA registered broker/dealer or other loan or financing arrangement with an Accredited Investor secured by the Securities and such pledge of Securities shall not be deemed to be a transfer, sale or assignment of the Securities hereunder, and if the Buyer effects such a pledge of Securities it shall not be required to provide the Company with any notice thereof or otherwise make any delivery to the Company pursuant to this Agreement or any other Transaction Document, including, without limitation, this Section 2(f).

(g) Legends. The Buyer understands that the Securities are "restricted securities" under applicable federal and state securities laws and that certificates or other instruments representing Securities except as set forth below, shall bear a restrictive legend in substantially the following form (and a stop-transfer order may be placed against transfer of such Securities):

> [NEITHER THE ISSUANCE AND SALE OF THE SECURITIES REPRESENTED BY THIS CERTIFICATE NOR THE SECURITIES INTO WHICH THESE SECURITIES ARE CONVERTIBLE HAVE BEEN] [THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN] REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR APPLICABLE STATE SECURITIES LAWS. THE SECURITIES MAY NOT BE OFFERED FOR SALE, SOLD, TRANSFERRED OR ASSIGNED (I) IN THE ABSENCE OF (A) AN EFFECTIVE REGISTRATION STATEMENT FOR THE SECURITIES UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR (B) AN OPINION OF COUNSEL TO THE HOLDER (IF REQUESTED BY THE COMPANY), IN A FORM REASONABLY ACCEPTABLE TO THE COMPANY, THAT REGISTRATION IS NOT REQUIRED UNDER SAID ACT OR (II) UNLESS SOLD OR ELIGIBLE TO BE SOLD PURSUANT TO RULE 144 OR RULE 144A UNDER SAID ACT. NOTWITHSTANDING THE FOREGOING, THE SECURITIES MAY BE PLEDGED IN CONNECTION WITH A BONA FIDE MARGIN ACCOUNT WITH A FINRA REGISTERED BROKER/DEALER OR OTHER LOAN OR FINANCING ARRANGEMENT SECURED BY THE SECURITIES.
>
> THE SECURITIES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO THE TERMS AND PROVISIONS OF (A) THE ARTICLES OF INCORPORATION OF THE CORPORATION, AS AMENDED FROM TIME TO TIME, INCLUDING, WITHOUT LIMITATION, THE CERTIFICATES OF DESIGNATION RELATING TO ALL SERIES OF PREFERRED STOCK, AND THE RELATIVE RIGHTS, PREFERENCES, RESTRICTIONS, DESIGNATIONS, QUALIFICATIONS AND PRIVILEGES SET FORTH THEREIN AND IMPOSED THEREON AND UPON THE HOLDERS THEREOF, AND (B) THE BYLAWS OF THE CORPORATION, AS AMENDED FROM TIME TO TIME, TO ALL OF WHICH TERMS AND PROVISIONS THE HOLDER OF THIS CERTIFICATE, BY ACCEPTANCE HEREOF, ASSENTS.

THE SECURITIES REPRESENTED BY THIS CERTIFICATE [AND THE SECURITIES INTO WHICH THESE SECURITIES ARE CONVERTIBLE] ARE SUBJECT TO THE TERMS AND CONDITIONS OF A LOCK-UP PROVISION IN THE SECURITIES PURCHASE AGREEMENT AND/OR SUBSCRIPTION AGREEMENT BETWEEN THE CORPORATION AND THE STOCKHOLDER LISTED ON THE FACE HEREOF, AS AMENDED FROM TIME TO TIME. SUCH LOCK-UP PROVISION INCLUDES CONDITIONS AND OTHER RESTRICTIONS UPON THE TRANSFER OF THE SECURITIES REPRESENTED BY THIS CERTIFICATE [AND THE SECURITIES INTO WHICH THESE SECURITIES ARE CONVERTIBLE], INCLUDING, WITHOUT LIMITATION, AFFIRMATIVE STEPS REQUIRED TO BE UNDERTAKEN BY ANY POTENTIAL TRANSFEREE OF THE SECURITIES REPRESENTED BY THIS CERTIFICATE AS A CONDITION TO SUCH TRANSFER. ANY PURPORTED TRANSFER OF THE SECURITIES REPRESENTED BY THIS CERTIFICATE [AND THE SECURITIES INTO WHICH THESE SECURITIES ARE CONVERTIBLE] IN VIOLATION OF SUCH LOCK-UP PROVISION IS VOID AB INITIO.

COPIES OF SUCH DOCUMENTS ARE ON FILE AT THE PRINCIPAL OFFICE OF THE CORPORATION AND ARE MADE A PART HEREOF AS THOUGH FULLY SET FORTH ON THIS CERTIFICATE."

No later than two days on which the principal Trading Market (as defined below) is open ("**Trading Days**") following the delivery by the Buyer to the Company or its transfer agent of a certificate representing Securities issued with a restrictive legend (such date, the "**Legend Removal Date**"), such legend shall be removed and the Company shall issue a certificate without such legend to the Buyer or issue to the Buyer such Securities by electronic delivery at the applicable balance account at The Depository Trust Company ("**DTC**"), if such Securities are DTC-eligible at such time, if (i) such Securities are registered for resale under the 1933 Act and the holder has provided the Company with such documents as are reasonably required by the Company in connection with the removal of the legend, including but not limited to the Buyer's representation letter indicating an intent to sell, (ii) in connection with a sale, assignment or other transfer, such holder provides the Company with an opinion of counsel, in a generally acceptable form, to the effect that such sale, assignment or transfer of the Securities may be made without registration under the applicable requirements of the 1933 Act, (iii) the Securities can be sold, assigned or transferred pursuant to Rule 144 without restriction or limitation, including without the requirement to be in compliance with Rule 144(c)(1), or Rule 144A, or (iv) if such legend is not required under applicable requirements of the 1933 Act (including, without limitation, controlling judicial interpretations and pronouncements issued by the SEC). The Company shall be responsible for the fees of its transfer agent and all DTC fees associated with such issuance. If the Company shall fail for any reason or for no reason to issue to the Buyer, a certificate without such legend to such holder or to issue to the Buyer such Securities by electronic delivery at the applicable balance account at DTC, if such Securities are DTC-eligible at such time, on or before the applicable Legend Removal Date, and if after such Legend Removal Date the Buyer purchases (in an open market transaction or otherwise) Securities to deliver in satisfaction of a sale by the Buyer of all or any portion of the Securities that the holder anticipated receiving without legend from the Company, then the Company shall, within five Trading Days after the Buyer's request and in the Buyer's discretion, either (i) pay cash to the Buyer in an amount equal to the Buyer's total purchase price (including brokerage commissions, if any) for the Securities so purchased (the "**Buy-In Price**"), at which point the Company's obligation to deliver such unlegended Securities shall terminate, or (ii) promptly honor its obligation to deliver to the Buyer such unlegended Securities as provided above and pay cash to the Buyer in an amount equal to the excess (if any) of the Buy-In Price over the product of (A) such number Securities, times (B) any trading price of the Securities selected by the Buyer in writing as in effect at any time during the period beginning on the applicable Legend Removal Date and the date the Company makes the applicable cash payment. The Company acknowledges that a breach by it of its obligations under this Section 2(g) will cause irreparable harm to the Buyer. Accordingly, the Company acknowledges that the remedy at law for a breach of its obligations under this Section 2(g) will be inadequate and agrees, in the event of a breach or threatened breach by the Company of the provisions of this Section 2(g), that the Buyer shall be entitled, in addition to all other available remedies, to an order and/or injunction restraining any breach and requiring immediate issuance and transfer, without the necessity of showing economic loss and without any bond or other security being required.

(h) Validity; Enforcement. The Buyer is either an individual or an entity duly incorporated or formed, validly existing and in good standing under the laws of the jurisdiction of its incorporation or formation with full right, corporate, partnership, limited liability company or similar power and authority to enter into and to consummate the transactions contemplated by the Transaction Documents and otherwise to carry out its obligations hereunder and thereunder. This Agreement and each other Transaction Document have been duly and validly authorized, executed and delivered on behalf of the Buyer and constitutes the legal, valid and binding obligations of the Buyer enforceable against the Buyer in accordance with their respective terms, except as such enforceability may be limited by general principles of equity or to applicable bankruptcy, insolvency, reorganization, moratorium, liquidation and other similar laws relating to, or affecting generally, the enforcement of applicable creditors' rights and remedies.

(i) No Conflicts. The execution, delivery and performance by the Buyer of this Agreement and each other Transaction Document and the consummation by the Buyer of the transactions contemplated hereby and thereby will not (i) result in a violation of the organizational documents of the Buyer or (ii) conflict with, or constitute a default (or an event which with notice or lapse of time or both would become a default) under, or give to others any rights of termination, amendment, acceleration or cancellation of, any agreement, indenture or instrument to which the Buyer is a party, or (iii) result in a violation of any law, rule, regulation, order, judgment or decree (including federal and state securities laws) applicable to the Buyer, except in the case of clauses (ii) and (iii) above, for such conflicts, defaults, rights or violations which would not, individually or in the aggregate, reasonably be expected to have a material adverse effect on the ability of the Buyer to perform its obligations hereunder.

(j) Residency. The Buyer is a resident of the jurisdiction specified on the signature page attached hereto.

(k) No Conflicts with Sanctions Laws. Neither the Buyer nor any director, officer, employee, agent, affiliate or other person associated with or acting on behalf of the Buyer is, or is directly or indirectly owned or controlled by, a Person that is currently the subject or the target of any sanctions administered or enforced by the U.S. government (including, without limitation, the Office of Foreign Assets Control of the U.S. Department of the Treasury or the U.S. Departments of State or Commerce and including, without limitation, the designation as a "Specially Designated National" or on the "Sectoral Sanctions Identifications List", collectively "**Blocked Persons**"), the United Nations Security Council, the European Union, Her Majesty's Treasury or any other relevant sanctions authority (collectively, "**Sanctions Laws**"); neither the Buyer, nor any director, officer, employee, agent, affiliate or other person associated with or acting on behalf of the Buyer is located, organized or resident in a country or territory that is the subject or target of a comprehensive embargo or Sanctions Laws prohibiting trade with the country or territory, including, without limitation, Crimea, Cuba, Iran, North Korea, Sudan and Syria (each, a "**Sanctioned Country**"); neither the Buyer nor any director, officer, employee, agent, affiliate or other person associated with or acting on behalf of the Buyer, acting in any capacity in connection with the operations of the Buyer, conducts any business with or for the benefit of any Blocked Person or engages in making or receiving any contribution of funds, goods or services to, from or for the benefit of any Blocked Person, or deals in, or otherwise engages in any transaction relating to, any property or interests in property blocked or subject to blocking pursuant to any applicable Sanctions Laws. No action of the Buyer in connection with the execution, delivery and performance of this Agreement and the other Transaction Documents or the consummation of any other transaction contemplated hereby or by the other Transaction Documents or the fulfillment of the terms hereof or thereof. For the past five years, the Buyer has not knowingly engaged in and is not now knowingly engaged in any dealings or transactions with any person that at the time of the dealing or transaction is or was the subject or the target of Sanctions Laws or with any Sanctioned Country.

3. REPRESENTATIONS AND WARRANTIES OF THE COMPANY.

The Company represents and warrants to the Buyer that, as of the date hereof and as of each Closing:

(a) Organization and Qualification. The Company and each of its "**Subsidiaries**" (which for purposes of this Agreement means any entity in which the Company, directly or indirectly, owns any of the capital stock or holds an equity or similar interest), if any, are entities duly organized and validly existing and in good standing under the laws of the jurisdiction in which they are formed, and have the requisite power and authorization to own their properties and to carry on their business as now being conducted and as presently proposed to be conducted. Each of the Company and each of its Subsidiaries is duly qualified as a foreign entity to do business and is in good standing in every jurisdiction in which its ownership of property or the nature of the business conducted by it makes such qualification necessary, except to the extent that the failure to be so qualified or be in good standing would not reasonably be expected to have a Material Adverse Effect. As used in this Agreement, "**Material Adverse Effect**" means any fact, occurrence, circumstance, event or change that, individually or in the aggregate, has had, or would reasonably be expected to have, a material adverse effect on the business, properties, assets, liabilities, operations, results of operations, or condition (financial or otherwise) of the Company and its Subsidiaries taken as a whole, or on the transactions contemplated hereby or on the other Transaction Documents or by the agreements and instruments to be entered into in connection herewith or therewith, or on the authority or ability of the Company to perform any of its obligations under any of the Transaction Documents, except to the extent related to: (i) a change in general political, economic, or financial market conditions (except if such conditions have had, or would reasonably be expected to have, a disproportionately adverse effect on the Company and its Subsidiaries, taken as a whole, relative to other Persons operating in the industries in which the Company or its Subsidiaries operate generally); (ii) a change that affected the industries in which the Company or its Subsidiaries operate generally (except if such change has had, or would reasonably be expected to have, a disproportionately adverse effect on the Company or its Subsidiaries, taken as a whole, relative to other Persons operating in the industries in which the Company or its Subsidiaries operate generally); (iii) the announcement or pendency of this Agreement and the transactions contemplated hereby; (iv) any changes after the date of this Agreement in GAAP or Applicable Law or the enforcement, implementation or interpretation thereof (except if such changes have had, or would reasonably be expected to have, a disproportionately adverse effect on the Company or its Subsidiaries, taken as a whole, relative to other Persons operating in the industries in which the Company or its Subsidiaries operate generally); (v) natural disaster, sabotage, acts of terrorism, civil unrest, rioting, looting or war (whether or not declared) or other outbreak of hostilities or escalation thereof; or (vi) the failure of the Company to meet its financial projections. The Company has no Subsidiaries except as set forth in Schedule 3(a). The outstanding shares of capital stock of each of the Subsidiaries have been duly authorized and validly issued, are fully paid and non-assessable and are owned by the Company or another Subsidiary, if any, free and clear of all liens, preemptive or similar rights, mortgages, defects, claims, pledges, charges, taxes, rights of first refusal, encumbrances, security interests and other encumbrances (collectively, "**Liens**") and equities and claims; and no options, warrants or other rights to purchase, agreements or other obligations to issue or other rights to convert any obligations into shares of capital stock or ownership interests in the Subsidiaries are outstanding.

(b) Authorization; Enforcement; Validity. The Company has the requisite corporate power and authority to enter into and perform its obligations under this Agreement and each of the other agreements entered into by the parties hereto in connection with the transactions contemplated by this Agreement (collectively, the "**Transaction Documents**") and to issue the Shares in accordance with the terms hereof and thereof. The execution and delivery of this Agreement and the other Transaction Documents by the Company and the consummation by the Company of the transactions contemplated hereby and thereby have been duly authorized by the Company's Board of Directors and other than (i) a Form D with the SEC and any other filings as may be required by any state securities agencies and (ii) the 8-K Filing (collectively, the "**Required Filings and Approvals**"), no further filing, consent or authorization is required by the Company, its Board of Directors or its stockholders. This Agreement and the other Transaction Documents have been duly executed and delivered by the Company, and constitute the legal, valid and binding obligations of the Company, enforceable against the Company in accordance with their respective terms, except as such enforceability may be limited by general principles of equity or applicable bankruptcy, insolvency, reorganization, moratorium, liquidation or similar laws relating to, or affecting generally, the enforcement of applicable creditors' rights and remedies. Except as set forth in Schedule 3(b) there are no stockholder agreements, voting agreements, or other similar arrangements with respect to the Company's capital stock to which the Company is a party or, to the actual knowledge after reasonable inquiry of the Company's chief executive officer, chief financial officer and general counsel, but without any obligation to conduct investigation of anyone outside of the Company or its Subsidiaries (collectively, the "**Company's Knowledge**"), between or among any of the Company's stockholders.

(c) Issuance of Shares. The issuance of the Shares is duly authorized and, upon issuance in accordance with the terms of the Transaction Documents, the Shares shall be validly issued and free from all preemptive or similar rights (except for those which have been validly waived prior to the date hereof), taxes, liens and charges and other encumbrances with respect to the issue thereof and the Shares shall be fully paid and non-assessable with the holders being entitled to all rights accorded to a holder of Preferred Stock. As of each Closing, a number of shares of Common Stock shall have been duly authorized and reserved for issuance which equals at least the number of shares of Common Stock issuable upon conversion of the Shares purchased at such Closing. Upon conversion of the Shares in accordance with the terms of the Certificate of Designation, the Underlying Shares when issued will be validly issued, fully paid and non-assessable and free from all preemptive or similar rights, taxes, liens, charges and other encumbrances with respect to the issue thereof, with the holders being entitled to the rights accorded to a holder of Common Stock. Assuming the accuracy of each of the representations and warranties set forth in Section 2, the offer and issuance by the Company of the Shares is exempt from registration under the 1933 Act.

(d) No Conflicts. The execution, delivery and performance of the Transaction Documents by the Company and the consummation by the Company of the transactions contemplated hereby and thereby (including, without limitation, the issuance of the Shares and the reservation for issuance and issuance of Underlying Shares) will not (i) result in a violation of the Articles of Incorporation (as defined below) or Bylaws (as defined below) or other organizational documents of the Company or any of its Subsidiaries, any capital stock of the Company or any of its Subsidiaries or bylaws of the Company or any of its Subsidiaries or (ii) except as set forth in Schedule 3(d), conflict with, or constitute a default (or an event which with notice or lapse of time or both would become a default) in any respect under, or give to others any rights of termination, amendment, acceleration or cancellation of, any agreement, indenture or instrument to which the Company or any of its Subsidiaries is a party, other than conflicts or defaults that would not reasonably be expected to have a Material Adverse Effect, or (iii) result in a violation of any law, rule, regulation, order, judgment or decree (including foreign, federal and state securities laws and regulations and the rules and regulations of the OTCQX market (the "**Principal Market**") and including all applicable foreign, federal, state laws, rules and regulations) applicable to the Company or any of its Subsidiaries or by which any property or asset of the Company or any of its Subsidiaries is bound or affected, assuming, with respect to subsections (ii) and (iii), the making and receipt of the Required Filings and Approvals, other than violations that would not reasonably be expected to have a Material Adverse Effect.

(e) Consents. Other than the Required Filings and Approvals, the Company is not required to obtain any consent from, authorization or order of, or make any filing or registration with, any court, governmental agency or any regulatory or self-regulatory agency or any other Person in order for it to execute, deliver or perform any of its obligations under or contemplated by the Transaction Documents, in each case, in accordance with the terms hereof or thereof. Other than the Required Filings and Approvals, all consents, authorizations, orders, filings and registrations which the Company is required to obtain pursuant to the preceding sentence have been obtained or effected on or prior to each Closing (or in the case of filings detailed above, will be made timely after each Closing), and the Company is unaware of any facts or circumstances which might prevent the Company from obtaining or effecting any of the registration, application or filings contemplated by the Transaction Documents. Except as set forth in Schedule 3(e), the Company is not in violation of the listing requirements of the Principal Market and has no knowledge of any facts or circumstances which would reasonably lead to the suspension of quotation of the Common Stock on the Principal Market in the foreseeable future. The issuance by the Company of the Shares shall not have the effect of suspending of quotation of the Common Stock on the Principal Market.

(f) Acknowledgment Regarding the Buyer's Purchase of Shares. The Company acknowledges and agrees that the Buyer is acting solely in the capacity of an arm's length purchaser with respect to the Transaction Documents and the transactions contemplated hereby and thereby and that, except as set forth in Schedule 3(f), the Buyer is not (i) an officer or director of the Company or any of its Subsidiaries, (ii) an "affiliate" of the Company or any of its Subsidiaries (as defined in Rule 144), if any, or (iii) to the Company's Knowledge, a "beneficial owner" of more than 10% of the Common Stock (as defined for purposes of Rule 13d-3 of the Securities Exchange Act of 1934, as amended (the "**1934 Act**")). The Company further acknowledges that the Buyer is not acting as a financial advisor or fiduciary of the Company or any of its Subsidiaries (or in any similar capacity), if any, with respect to the Transaction Documents and the transactions contemplated hereby and thereby, and any advice given by the Buyer or any of its representatives or agents in connection with the Transaction Documents and the transactions contemplated hereby and thereby is merely incidental to the Buyer's purchase of the Shares. The Company further represents to the Buyer that the Company's decision to enter into the Transaction Documents has been based solely on the independent evaluation by the Company and its representatives.

(g) No General Solicitation; Placement Agent Fees. Neither the Company, nor any of its Subsidiaries or affiliates, nor any Person acting on its or their behalf, has engaged in any form of general solicitation or general advertising (within the meaning of Regulation D) in connection with the offer or sale of the Shares. The Company shall be responsible for the payment of any placement agent fees, financial advisory fees, or brokers' commissions (other than for Persons engaged by the Buyer or the Buyer's investment advisor) relating to or arising out of the transactions contemplated hereby, in connection with the sale of the Shares. The Company shall pay, and hold the Buyer harmless against, any liability, loss or expense (including, without limitation, reasonable attorney's fees and out-of-pocket expenses) arising in connection with any such claim.

(h) No Integrated Offering. None of the Company, its Subsidiaries or any of their affiliates, nor any Person acting on their behalf has, directly or indirectly, made any offers or sales of any security or solicited any offers to buy any security, under circumstances that would require registration of the issuance of any of the Shares under the 1933 Act, whether through integration with prior offerings or otherwise. None of the Company, its Subsidiaries, any of their affiliates nor any Person acting on their behalf will take any action or steps that would require registration of the issuance of any of the Securities under the 1933 Act.

(i) Application of Takeover Protections; Rights Agreement. The Company and its Board of Directors have taken all necessary action, if any, in order to render inapplicable any control share acquisition, interested stockholder, business combination, poison pill (including, without limitation, any distribution under a rights agreement) or other similar anti-takeover provision under the Articles of Incorporation, Bylaws or other organizational documents or the laws of the jurisdiction of its formation which is or could become applicable to the Buyer as a result of the transactions contemplated by this Agreement, including, without limitation, the Company's issuance of the Securities and the Buyer's ownership of the Securities. The Company and its Board of Directors have taken all necessary action, if any, in order to render inapplicable any stockholder rights plan or similar arrangement relating to accumulations of beneficial ownership of Preferred Stock or a change in control of the Company or any of its Subsidiaries.

(j) SEC Documents; Financial Statements. Except as disclosed in Schedule 3(j), during the two years prior to the date hereof, the Company has timely filed all reports, schedules, forms, statements and other documents required to be filed by it with the SEC pursuant to the reporting requirements of the 1934 Act (all of the foregoing filed prior to the date hereof or prior to each Closing, and all exhibits included therein and financial statements, notes and schedules thereto and documents incorporated by reference therein being hereinafter referred to as the "**SEC Documents**"). The Company has delivered to the Buyer or its representatives, upon request, true, correct and complete copies of the SEC Documents not available on the EDGAR system. As of their respective filing dates, the SEC Documents complied in all material respects with the requirements of the 1934 Act applicable to the Company and the rules and regulations of the SEC promulgated thereunder applicable to the SEC Documents, and none of the SEC Documents, at the time they were filed with the SEC, contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading. As of their respective filing dates, the financial statements of the Company included in the SEC Documents (the "**Financial Statements**") complied as to form in all material respects with applicable accounting requirements and the published rules and regulations of the SEC with respect thereto. Such financial statements have been prepared in accordance with U.S. generally accepted accounting principles ("**GAAP**"), consistently applied during the periods involved (except (i) as may be otherwise indicated in such Financial Statements or the notes thereto, or (ii) in the case of unaudited interim statements, to the extent they may exclude footnotes or may be condensed or summary statements) and fairly present in all material respects the financial position of the Company and its Subsidiaries, as of the dates thereof and the results of its operations and cash flows for the periods then ended (subject, in the case of unaudited statements, to normal year-end audit adjustments which will not be material, either individually or in the aggregate). The Company is not currently contemplating to amend or restate any of the Financial Statements, nor is the Company currently aware of facts or circumstances which would require the Company to amend or restate any of the Financial Statements, in each case, in order for any of the Financial Statements to be in material compliance with GAAP and the rules and regulations of the SEC. The Company has not been informed by its independent accountants that they recommend that the Company amend or restate any of the Financial Statements or that there is any need for the Company to amend or restate any of the Financial Statements.

(k) Absence of Certain Changes. Except as disclosed in Schedule 3(k)(i), since December 31, 2019, there has been no Material Adverse Effect. Except as disclosed in Schedule 3(k)(ii), since December 31, 2019, neither the Company nor any of its Subsidiaries has (i) declared or paid any dividends, (ii) sold any assets, individually or in the aggregate, in excess of $100,000 outside of the ordinary course of business or (iii) had capital expenditures, individually or in the aggregate, in excess of $100,000. Neither the Company nor any of its Subsidiaries has taken any steps to seek protection pursuant to any law or statute relating to bankruptcy, insolvency, reorganization, receivership, liquidation or winding up, nor to the Company's Knowledge does the Company or any Subsidiary believe that any of their respective creditors intend to initiate involuntary bankruptcy proceedings or any actual knowledge of any fact which would reasonably lead a creditor to do so. The Company and its Subsidiaries as a whole are not, as of the date hereof, and after giving effect to the transactions contemplated hereby to occur at each Closing, will not be Insolvent (as defined below). For purposes of this Section 3(k), "**Insolvent**" means, with respect to any Person, (w) the present fair saleable value of such Person's assets is less than the amount required to pay such Person's total Indebtedness (as defined in Section 3(q)), (x) such Person is unable to pay its debts and liabilities, subordinated, contingent or otherwise, as such debts and liabilities become absolute and matured, (y) such Person intends to incur or believes that it will incur debts that would be beyond its ability to pay as such debts mature or (z) such Person has unreasonably small capital with which to conduct the business in which it is engaged as such business is now conducted and is proposed to be conducted.

(l) No Undisclosed Events, Liabilities, Developments or Circumstances. Since December 31, 2019, no event, liability, development or circumstance has occurred or exists, or is contemplated to occur with respect to the Company, its Subsidiaries, or their respective business, properties, prospects, operations or financial condition, that would constitute a Material Adverse Effect.

(m) Conduct of Business; Regulatory Permits. Neither the Company nor any of its Subsidiaries is in violation of any term of or in default under its Articles of Incorporation, any certificate of designation, preferences or rights of any other outstanding series of preferred stock of the Company or any of its Subsidiaries or Bylaws or their organizational charter, certificate of formation or certificate of incorporation or bylaws, respectively. The Company and each of its Subsidiaries have been in material compliance with all Applicable Laws (as defined below) since the incorporation of the Company and will continue to operate in compliance with all Applicable Laws. "**Applicable Law**" means applicable provisions of federal, state or local law (including common law), statute, rule, regulation, order, permit, judgment, injunction, decree or other decision of any court or other tribunal or governmental authority legally binding on the Company, its properties, its Subsidiaries, or their properties, including applicable state or local laws with respect to cannabis, all as may be amended, but excluding the Controlled Substances Act (21 U.S.C. §801, *et. seq.*) federal law that prohibits the cultivation, processing, transportation, sale or possession of Cannabis or parts of Cannabis including particular cannabinoids, the sale or possession of cannabis paraphernalia, or advertising the sale of Cannabis, products containing Cannabis, or Cannabis paraphernalia. "**Cannabis**" means a plant in the genus *Cannabis* including *Cannabis sativa*, *Cannabis indica*, *Cannabis ruderalis*, and all subspecies, hybrids, or yet to be discovered subspecies and hybrids, and including the federal law definitions of Marijuana. "**Marijuana**" means any material, compound, derivative, mixture, product or preparation that contains any quantity of the substances listed on Schedule 1 of the Controlled Substances Act or in its implementing regulations, including without limitation 21 C.F.R. § 1308.11, 21 U.S.C. § 802(6) as "Marihuana" or "Tetrahydrocannabinols," except Hemp, as defined in 7 U.S.C. § 1639o and except Cannabis Plant Materials defined in 21 C.F.R. 1308.35 or which contains any of their salts, isomers and salts of isomers, or any derivative or mixture thereof or any synthetic equivalent or which would be a "controlled substance analogue" manufactured, formulated, sold, distributed, or marketed with the intent to avoid the provisions of existing drug laws as defined under 21 U.S.C. § 813. The Company and each of its Subsidiaries possess all material certificates, authorizations and permits issued by the appropriate foreign, federal or state regulatory authorities necessary to conduct their respective businesses. All such certificates, authorizations and permits are valid and in full force and effect. During the period since the Company's Common Stock was designated for quotation on the Principal Market, (i) the Common Stock has been designated for quotation on the Principal Market, (ii) trading in the Common Stock has not been suspended by the SEC or the Principal Market and (iii) the Company has received no communication, written or oral, from the SEC or the Principal Market regarding the suspension of quotation of the Common Stock on the Principal Market.

(n) Sarbanes-Oxley Act. The Company is in compliance with any and all applicable requirements of the Sarbanes-Oxley Act of 2002, as amended, that are effective as of the date hereof, and any and all applicable rules and regulations promulgated by the SEC thereunder that are effective as of the date hereof.

(o) Transactions With Affiliates. Except as set forth in Schedule 3(o), none of the current officers, directors or employees (including, without limitation, any family member or affiliate thereof) of the Company or any of its Subsidiaries is presently a party to (or has previously been a party to) any transaction with the Company or any of its Subsidiaries (other than for ordinary course services as employees, officers or directors), including any contract, agreement or other arrangement providing for the furnishing of goods or services to or by, providing for rental of real or personal property to or from, or otherwise requiring payments to or from any such officer, director or employee or, to the Company's Knowledge, any corporation, partnership, trust or other Person in which any such officer, director, or employee (or family member or affiliate thereof) has a substantial interest or is an employee, officer, director, trustee or partner.

(p) Equity Capitalization. As of February 17, 2021, the authorized capital stock of the Company consists of (i) 250,000,000 shares of Common Stock, of which 42,601,768 are issued and outstanding, 18,500,00 shares are reserved for issuance pursuant to the Company's stock option and purchase plans and 45,563,701 shares are reserved for issuance pursuant to securities (other than the aforementioned options) exercisable or exchangeable for, or convertible into, Common Stock and (ii) 10,000,000 shares of preferred stock, par value $0.001 per share, 28,485 of which are designated and issued and outstanding. 432,732 shares of Common Stock are held in treasury. All of such outstanding shares are duly authorized, validly issued and are fully paid and non-assessable. 9,570,548 shares of the Company's issued and outstanding Common Stock on the date hereof are as of the date hereof owned by Persons who are "affiliates" (as defined in Rule 405 of the 1933 Act) of the Company or any of its Subsidiaries. (i) Except as disclosed in Schedule 3(p), none of the Company's or any Subsidiary's capital stock is subject to preemptive rights or any other similar rights or any liens or encumbrances suffered or permitted by the Company or any Subsidiary; (ii) except as disclosed in Schedule 3(p), there are no outstanding options, warrants, scrip, rights to subscribe to, calls or commitments of any character whatsoever relating to, or securities or rights convertible into, or exercisable or exchangeable for, any capital stock of the Company or any of its Subsidiaries, or contracts, commitments, understandings or arrangements by which the Company or any of its Subsidiaries, is or may become bound to issue additional capital stock of the Company or any of its Subsidiaries, or options, warrants, scrip, rights to subscribe to, calls or commitments of any character whatsoever relating to, or securities or rights convertible into, or exercisable or exchangeable for, any capital stock of the Company or any of its Subsidiaries; (iii) except as disclosed in Schedule 3(p), there are no outstanding debt securities, notes, credit agreements, credit facilities or other agreements, documents or instruments evidencing Indebtedness of the Company or any of its Subsidiaries, or by which the Company or any of its Subsidiaries, is or may become bound; (iv) except as disclosed in Schedule 3(p), there are no financing statements securing obligations in any amounts filed in connection with the Company or any of its Subsidiaries; (v) except as disclosed in Schedule 3(p), there are no agreements or arrangements (other than as set forth herein) under which the Company or any of its Subsidiaries, is obligated to register the sale of any of their securities under the 1933 Act; (vi) except as disclosed in Schedule 3(p), there are no outstanding securities or instruments of the Company or any of its Subsidiaries, which contain any redemption or similar provisions, and there are no contracts, commitments, understandings or arrangements by which the Company or any of its Subsidiaries is or may become bound to redeem a security of the Company or any of its Subsidiaries; (vii) except as disclosed in Schedule 3(p), there are no securities or instruments containing anti-dilution or similar provisions that will be triggered by the issuance of the Shares; (viii) except as disclosed in Schedule 3(p), neither the Company nor any Subsidiary, if any, has any stock appreciation rights or "phantom stock" plans or agreements or any similar plan or agreement; and (ix) neither the Company nor any of its Subsidiaries have any material non-public information, including any material liabilities or obligations, that are required to be disclosed in the SEC Documents which are not so disclosed in the SEC Documents. True, correct and complete copies of the Company's articles of incorporation, as amended and as in effect on the date hereof (the "**Articles of Incorporation**"), and the Company's bylaws, as amended and as in effect on the date hereof (the "**Bylaws**"), and the terms of all securities convertible into, or exercisable or exchangeable for, Common Stock and the material rights of the holders thereof in respect thereto have heretofore been filed as part of the SEC Documents. Except as set forth in Schedule 3(p), each stock option granted by the Company was granted (x) in accordance with the terms of the applicable stock option plan of the Company and (y) with an exercise price at least equal to the fair market value of the Common Stock on the date such stock option would be considered granted under GAAP and applicable law. To the Company's Knowledge, no stock option granted under the Company's stock option plan has been backdated. To the Company's Knowledge, the Company has not granted, and there is no and has been no policy or practice of the Company to grant, stock options prior to, or otherwise coordinate the grant of stock options with, the release or other public announcement of material information regarding the Company or its Subsidiaries or their financial results or prospects.

(q) Indebtedness and Other Contracts. Neither the Company nor any of its Subsidiaries, (i) except as disclosed in Schedule 3(q), has any outstanding Indebtedness (as defined below), (ii) except as disclosed in the SEC Documents, is a party to any material definitive agreement (as defined in Item 1.01(b) of the Current Report on Form 8-K), or (iii) except as disclosed in Schedule 3(q), neither the Company nor such Subsidiary, nor any other party to a material definitive agreement (as defined in Item 1.01(b) of the Current Report on Form 8-K) is in material violation of any term of, or in default under, such material definitive agreement, including any material definitive agreement relating to any Indebtedness. For purposes of this Agreement: (x) "**Indebtedness**" of any Person means, without duplication (A) all indebtedness for borrowed money, (B) all obligations issued, undertaken or assumed as the deferred purchase price of property or services (including, without limitation, "capital leases" in accordance with GAAP, consistently applied during the periods involved) (other than trade payables entered into in the ordinary course of business consistent with past practice), (C) all reimbursement or payment obligations with respect to letters of credit, surety bonds and other similar instruments, (D) all obligations evidenced by notes, bonds, debentures or similar instruments, including obligations so evidenced incurred in connection with the acquisition of property, assets or businesses, (E) all indebtedness created or arising under any conditional sale or other title retention agreement, or incurred as financing, in either case with respect to any property or assets acquired with the proceeds of such indebtedness (even though the rights and remedies of the seller or bank under such agreement in the event of default are limited to repossession or sale of such property), (F) all monetary obligations under any leasing or similar arrangement which, in connection with GAAP, consistently applied for the periods covered thereby, is classified as a capital lease, (G) all indebtedness referred to in clauses (A) through (F) above secured by (or for which the holder of such Indebtedness has an existing right, contingent or otherwise, to be secured by) any mortgage, claim, lien, tax, right of first refusal, pledge, charge, security interest or other encumbrance upon or in any property or assets (including accounts and contract rights) owned by any Person, even though the Person which owns such assets or property has not assumed or become liable for the payment of such indebtedness, and (H) all Contingent Obligations in respect of indebtedness or obligations of others of the kinds referred to in clauses (A) through (G) above; and (y) "**Contingent Obligation**" means, as to any Person, any direct or indirect liability, contingent or otherwise, of that Person with respect to any indebtedness, capital lease, dividend or other obligation of another Person if the primary purpose or intent of the Person incurring such liability, or the primary effect thereof, is to provide assurance to the obligee of such liability that such liability will be paid or discharged, or that any agreements relating thereto will be complied with, or that the holders of such liability will be protected (in whole or in part) against loss with respect thereto.

(r) Absence of Litigation. Except as set forth in the SEC Documents, there is no material action, suit, proceeding, inquiry or investigation before or by the Principal Market, any court, public board, arbitrator, panel, government agency, self-regulatory organization or body pending or, to the Company's Knowledge, threatened against or affecting the Company or any of its Subsidiaries, the Preferred Stock, the consummation of the Proposed Transaction or any of the Company's or its Subsidiaries' officers or directors, whether of a civil or criminal nature or otherwise, in their capacities as such. "**Proposed Transaction**" means the acquisition by the Company or one or more direct or indirect wholly-owned Subsidiaries of the Company of substantially all of the assets of Starbuds Aurora LLC, SB Arapahoe LLC, Citi-Med LLC, Starbuds Louisville LLC and KEW LLC. To the Company's Knowledge, no director, officer or employee of the Company or any of its Subsidiaries has willfully violated 18 U.S.C. §1519 or engaged in spoliation in reasonable anticipation of litigation. Without limitation of the foregoing, there has not been, and to the Company's Knowledge, there is not pending, contemplated or anticipated, any inquiry or investigation by the SEC involving the Company, any of its Subsidiaries or any current or former director or officer of the Company or any of its Subsidiaries. The SEC has not issued any stop order or other order suspending the effectiveness of any registration statement filed by the Company under the 1933 Act or the 1934 Act. Neither the Company nor any of its Subsidiaries is subject to any order, writ, judgment, injunction, decree, determination or award of any governmental entity.

(s) Tax Status. The Company and each of its Subsidiaries (i) has timely made or filed all material foreign, federal and state income and all other tax returns, reports and declarations required by any jurisdiction to which it is subject, (ii) has timely paid all taxes and other governmental assessments and charges that are material in amount, shown or determined to be due on such returns, reports and declarations, except those being contested in good faith and (iii) has set aside on its books adequate reserves for the payment of all unpaid taxes. There are no unpaid taxes in any material amount claimed to be due by the taxing authority of any jurisdiction, except for those being contested in good faith, and the officers of the Company and its Subsidiaries know of no basis for any such claim.

(t) Internal Accounting and Disclosure Controls. The Company and each of its Subsidiaries, maintain a system of internal accounting controls sufficient to provide reasonable assurance that (i) transactions are executed in accordance with management's general or specific authorizations, (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with GAAP, consistently applied during the periods involved, and Applicable Law, and to maintain asset and liability accountability, (iii) access to assets or incurrence of liabilities is permitted only in accordance with management's general or specific authorization and (iv) the recorded accountability for assets and liabilities is compared with the existing assets and liabilities at reasonable intervals and appropriate action is taken with respect to any difference. The Company maintains disclosure controls and procedures (as such term is defined in Rule 13a-15 under the 1934 Act) that are effective in ensuring that information required to be disclosed by the Company in the reports that it files or submits under the 1934 Act is recorded, processed, summarized and reported, within the time periods specified in the rules and forms of the SEC, including, without limitation, controls and procedures designed to ensure that information required to be disclosed by the Company in the reports that it files or submits under the 1934 Act is accumulated and communicated to the Company's management, including its principal executive officer or officers and its principal financial officer or officers, as appropriate, to allow timely decisions regarding required disclosure. Except as set forth in Schedule 3(s), during the twelve months prior to the date hereof neither the Company nor any of its Subsidiaries, has received any written notice or correspondence from any accountant relating to any material weakness in any part of the system of internal accounting controls of the Company or any of its Subsidiaries.

(u) Off Balance Sheet Arrangements. There is no transaction, arrangement, or other relationship between the Company or any of its Subsidiaries and an unconsolidated or other off balance sheet entity that is required to be disclosed by the Company in its 1934 Act filings and is not so disclosed or that otherwise has had or would be reasonably likely to have a Material Adverse Effect.

(v) Investment Company Status. Neither the Company nor any of its Subsidiaries, is, and upon consummation of the sale of the Shares, and for so long as the Buyer holds any Shares, will not be, an "investment company," an affiliate of an "investment company," a company controlled by an "investment company" or an "affiliated person" of, or "promoter" or "principal underwriter" for, an "investment company" as such terms are defined in the Investment Company Act of 1940, as amended.

(w) Acknowledgement Regarding the Buyer's Trading Activity. The Company acknowledges and agrees that, except as otherwise set forth herein or in any other Transaction Document, (i) the Buyer has not been asked to agree, nor has the Buyer agreed, to desist from purchasing or selling, long and/or short, securities of the Company, or "derivative" securities based on securities issued by the Company or to hold the Securities for any specified term; (ii) the Buyer, and counter-parties in "derivative" transactions to which the Buyer is a party, directly or indirectly, presently may have a "short" position in the Common Stock; (iii) the Buyer shall not be deemed to have any affiliation with or control over any arm's length counter-party in any "derivative" transaction; and (iv) the Buyer may rely on the Company's obligation to timely deliver shares of Common Stock as and when required pursuant to the Transaction Documents for purposes of effecting trading in the Common Stock of the Company. The Company further understands and acknowledges that (a) the Buyer may engage in hedging and/or trading activities at various times during the period that the Securities are outstanding, and (b) such hedging and/or trading activities, if any, can reduce the value of the existing stockholders' equity interest in the Company both at and after the time the hedging and/or trading activities are being conducted. The Company acknowledges that such aforementioned hedging and/or trading activities do not constitute a breach of this Agreement or any of the documents executed in connection herewith.

(x) Manipulation of Price. The Company has not, and, to the Company's Knowledge, no one acting on its behalf has, (i) taken, directly or indirectly, any action designed to cause or to result, or that could reasonably be expected to cause or result, in the stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of any of the Securities, (ii) sold, bid for, purchased, or paid any compensation for soliciting purchases of, any of the Securities (other than to placement agents), (iii) paid or agreed to pay to any person any compensation for soliciting another to purchase any other securities of the Company, or (iv) paid or agreed to pay any Person for research services with respect to any securities of the Company or any of its Subsidiaries.

(y) Shell Company Status. The Company is not, and has never been, an issuer identified in, or subject to, Rule 144(i)(1) of the 1933 Act.

(z) Compliance with Anti-Money Laundering Laws. Other than as a result of non-compliance with the Controlled Substances Act (21 U.S.C. §801, *et. seq.*)that prohibits the cultivation, processing, transportation, sale or possession of Cannabis or parts of Cannabis including particular cannabinoids, the sale or possession of Cannabis paraphernalia, or advertising the sale of Cannabis, products containing Cannabis, or Cannabis paraphernalia, the operations of the Company and its Subsidiaries are and have been conducted at all times in compliance with applicable financial recordkeeping and reporting requirements and all other applicable U.S. and non-U.S. anti-money laundering laws, rules and regulations, including, but not limited to, those of the Currency and Foreign Transactions Reporting Act of 1970, as amended, the United States Bank Secrecy Act, as amended by the USA PATRIOT Act of 2001, and the United States Money Laundering Control Act of 1986 (18 U.S.C. §§1956 and 1957), as amended, as well as the implementing rules and regulations promulgated thereunder, and the applicable money laundering statutes of all applicable jurisdictions, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any governmental agency or self-regulatory body (collectively, the "**Anti-Money Laundering Laws**"), and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company or any of its Subsidiaries with respect to the Anti-Money Laundering Laws is pending or, to the Company's Knowledge, threatened.

(aa) Sanctions. Neither the Company nor any of its Subsidiaries, nor any director, officer, employee, agent, affiliate or other person associated with or acting on behalf of the Company or any of its Subsidiaries or affiliates is, or is directly or indirectly owned or controlled by, a Person that is currently the subject or the target of any sanctions administered or enforced by the U.S. government (including, without limitation, the Office of Foreign Assets Control of the U.S. Department of the Treasury or the U.S. Departments of State or Commerce and including, without limitation, the designation as a "Specially Designated National" or on the "Sectoral Sanctions Identifications List", collectively "**Blocked Persons**"), the United Nations Security Council, the European Union, Her Majesty's Treasury or any other relevant sanctions authority (collectively, "**Sanctions Laws**"); neither the Company, any of its Subsidiaries, nor any director, officer, employee, agent, affiliate or other person associated with or acting on behalf of the Company or any of its Subsidiaries or affiliates, is located, organized or resident in a country or territory that is the subject or target of a comprehensive embargo or Sanctions Laws prohibiting trade with the country or territory, including, without limitation, Crimea, Cuba, Iran, North Korea, Sudan and Syria (each, a "**Sanctioned Country**"); the Company maintains in effect and enforces policies and procedures designed to ensure compliance by the Company and its Subsidiaries with applicable Sanctions Laws; neither the Company, any of its Subsidiaries, nor any director, officer, employee, agent, affiliate or other person associated with or acting on behalf of the Company or any of its Subsidiaries or affiliates, acting in any capacity in connection with the operations of the Company, conducts any business with or for the benefit of any Blocked Person or engages in making or receiving any contribution of funds, goods or services to, from or for the benefit of any Blocked Person, or deals in, or otherwise engages in any transaction relating to, any property or interests in property blocked or subject to blocking pursuant to any applicable Sanctions Laws; no action of the Company or any of its Subsidiaries in connection with (i) the execution, delivery and performance of this Agreement and the other Transaction Documents, (ii) the issuance and sale of the Securities, or (iii) the direct or indirect use of proceeds from the Securities or the consummation of any other transaction contemplated hereby or by the other Transaction Documents or the fulfillment of the terms hereof or thereof, will result in the proceeds of the transactions contemplated hereby and by the other Transaction Documents being used, or loaned, contributed or otherwise made available, directly or indirectly, to any Subsidiary, joint venture partner or other person or entity, for the purpose of (i) unlawfully funding or facilitating any activities of or business with any person that, at the time of such funding or facilitation, is the subject or target of Sanctions Laws, (ii) unlawfully funding or facilitating any activities of or business in any Sanctioned Country or (iii) in any other manner that will result in a violation by any Person (including any Person participating in the transaction, whether as underwriter, advisor, investor or otherwise) of Sanctions Laws. For the past five years, the Company and its Subsidiaries have not knowingly engaged in and are not now knowingly engaged in any dealings or transactions with any person that at the time of the dealing or transaction is or was the subject or the target of Sanctions Laws or with any Sanctioned Country.

(bb) Anti-Bribery. Neither the Company nor any of the Subsidiaries has made any contribution or other payment to any official of, or candidate for, any federal, state or foreign office in violation of any law. Neither the Company, nor any of its Subsidiaries or affiliates, nor any director, officer, agent, employee or other person associated with or acting on behalf of the Company, or any of its Subsidiaries or affiliates, has (i) used any funds for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity, (ii) made any direct or indirect unlawful payment to any foreign or domestic government official or employee, to any employee or agent of a private entity with which the Company does or seeks to do business or to foreign or domestic political parties or campaigns, (iii) violated or is in violation of any provision of any Applicable Law implementing the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions or any applicable provision of the U.S. Foreign Corrupt Practices Act of 1977, as amended, the U.K. Bribery Act 2010, or any other similar law of any other jurisdiction in which the Company operates its business, including, in each case, the rules and regulations thereunder (the "**Anti-Bribery Laws**"), (iv) taken, is currently taking or will take any action in furtherance of an offer, payment, gift or anything else of value, directly or indirectly, to any person while knowing that all or some portion of the money or value will be offered, given or promised to anyone to improperly influence official action, to obtain or retain business or otherwise to secure any improper advantage or (v) otherwise made any offer, bribe, rebate, payoff, influence payment, unlawful kickback or other unlawful payment; the Company and each of its respective Subsidiaries has instituted and has maintained, and will continue to maintain, policies and procedures reasonably designed to promote and achieve compliance with the laws referred to in (iii) above and with this representation and warranty; none of the Company, nor any of its Subsidiaries or affiliates will directly or indirectly use the proceeds of the Shares or lend, contribute or otherwise make available such proceeds to any subsidiary, affiliate, joint venture partner or other person or entity for the purpose of financing or facilitating any activity that would violate the laws and regulations referred to in (iii) above; there are, and have been, no allegations, investigations or inquiries with regard to a potential violation of any Anti-Bribery Laws by the Company, its Subsidiaries or affiliates, or any of their respective current or former directors, officers, employees, stockholders, representatives or agents, or other persons acting or purporting to act on their behalf.

(cc) No Additional Agreements. Except as set forth in Schedule 3(cc), the Company does not have any agreement or understanding with the Buyer with respect to the transactions contemplated by the Transaction Documents.

(dd) Disclosure. All disclosure provided to the Buyer regarding the Company and its Subsidiaries, their businesses and the transactions contemplated hereby, including the schedules to this Agreement and the Confidential PPM, furnished by or on behalf of the Company or any of its Subsidiaries, is true and correct and does not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading. All of the written information furnished after the date hereof by or on behalf of the Company or any of its Subsidiaries, to the Buyer pursuant to or in connection with this Agreement and the other Transaction Documents, taken as a whole, will be true and correct in all material respects as of the date on which such information is so provided and will not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made therein, in the light of the circumstances under which they are made, not misleading. Each press release issued by the Company or any of its Subsidiaries, during the twelve months preceding the date of this Agreement did not at the time of release contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading. No event or circumstance has occurred or information exists with respect to the Company or any of its Subsidiaries, or its or their business, properties, liabilities, prospects, operations (including results thereof) or conditions (financial or otherwise), which, under Applicable Law, requires public disclosure at or before the date hereof or announcement by the Company but which has not been so publicly disclosed. The Company understands and confirms that the Buyer will rely on the foregoing representations in effecting the transactions of securities of the Company. The Company acknowledges and agrees that the Buyer does not make and have not made any representations or warranties with respect to the transactions contemplated hereby other than those specifically set forth in Section 2.

(ee) No Disqualification Events. With respect to Securities to be offered and sold hereunder in reliance on Rule 506(b) under the 1933 Act, none of the Company, any of its predecessors, any affiliated issuer, any director, executive officer, other officer of the Company participating in the offering hereunder, any beneficial owner of 20% or more of the Company's outstanding voting equity securities, calculated on the basis of voting power, nor any promoter (as that term is defined in Rule 405 under the 1933 Act) connected with the Company in any capacity at the time of sale (each, an "**Issuer Covered Person**" and, together, "**Issuer Covered Persons**") is subject to any of the "Bad Actor" disqualifications described in Rule 506(d)(1)(i) to (viii) under the 1933 Act (a "**Disqualification Event**"), except for a Disqualification Event covered by Rule 506(d)(2) or (d)(3). The Company has exercised reasonable care to determine whether any Issuer Covered Person is subject to a Disqualification Event. The Company has complied, to the extent applicable, with its disclosure obligations under Rule 506(e), and has furnished to the Buyer a copy of any disclosures provided thereunder.

(ff) Other Covered Persons. Except as set forth on Schedule 3(ff), the Company is not aware of any Person that has been or will be paid (directly or indirectly) remuneration for solicitation of the Buyer or potential purchasers in connection with the sale of the Securities.

(gg) Intellectual Property Rights. The Company and its Subsidiaries own or possess adequate rights or licenses to use all trademarks, trade names, service marks, service mark registrations, service names, original works of authorship, patents, patent rights, copyrights, inventions, licenses, approvals, governmental authorizations, trade secrets and other intellectual property rights and all applications and registrations therefor ("**Intellectual Property Rights**") necessary to conduct their respective businesses as now conducted. To the Company's Knowledge, there is not any infringement by the Company or its Subsidiaries of Intellectual Property Rights of others. There is no claim, action or proceeding being made or brought, or to the Company's Knowledge, being threatened, against the Company or any of its Subsidiaries regarding its Intellectual Property Rights, except where such claim, action or proceeding is not reasonably likely to result in a Material Adverse Effect. Neither the Company nor any of its Subsidiaries has received any written notice alleging any such infringement or claim, action or proceeding.

(hh) Title. Each of the Company and its Subsidiaries holds good title, or a valid leasehold interests in, to all real property, leases in real property, facilities or other interests in real property owned or held by the Company or any of its Subsidiaries that is material to the business of the Company (the "**Real Property**"). The Real Property is free and clear of all Liens and is not subject to any rights of way, building use restrictions, exceptions, variances, reservations, or limitations of any nature except for (a) Liens for current taxes not yet due and payable, (b) zoning laws and other land use restrictions that do not impair the present or anticipated use of the property subject thereto and (c) those that are not likely to result in a Material Adverse Effect. Any Real Property held under lease by the Company or any of its Subsidiaries are held by them under valid, subsisting and enforceable leases with such exceptions as are not material and do not interfere in any material respect with the use made and proposed to be made of such property and buildings by the Company or any of its Subsidiaries.

(ii) Fixtures and Equipment. Each of the Company and its Subsidiaries (as applicable) has good title to, or a valid leasehold interest in, all material tangible personal property, equipment, improvements, fixtures, and other personal property and appurtenances that are used by the Company or its Subsidiary in connection with the conduct of its business (the "**Fixtures and Equipment**"). Each of the Company's and its Subsidiary's Fixtures and Equipment are structurally sound, are in good operating condition and repair, are adequate for the uses to which they are being put, are not in need of maintenance or repairs except for ordinary, routine maintenance and repairs and are sufficient for the conduct of the Company's and/or its Subsidiaries' businesses (as applicable) in the manner as conducted prior to each Closing. Each of the Company and its Subsidiaries owns all of its Fixtures and Equipment free and clear of all Liens except for (i) Liens for current taxes not yet due and payable, and (ii) zoning laws and other land use restrictions that do not impair the present or anticipated use of the property subject thereto.

(jj) Environmental Laws.

(i) The Company and its Subsidiaries (A) are in compliance with any and all Environmental Laws (as defined below), other than those that are not likely to result in a Material Adverse Effect, (B) have received all permits, licenses or other approvals required of them under applicable Environmental Laws to conduct their respective businesses and (C) are in compliance with all terms and conditions of any such permit, license or approval where, except in each of the foregoing clauses (A), (B) and (C), where the failure to so comply or having such permits, licenses or other approval would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect. The term "**Environmental Laws**" means all federal, state, local or foreign laws relating to pollution or protection of human health or the environment (including, without limitation, ambient air, surface water, groundwater, land surface or subsurface strata), including, without limitation, laws relating to emissions, discharges, releases or threatened releases of chemicals, pollutants, contaminants, or toxic or hazardous substances or wastes (collectively, "**Hazardous Materials**") into the environment, or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of Hazardous Materials, as well as all authorizations, codes, decrees, demands or demand letters, injunctions, judgments, licenses, notices or notice letters, orders, permits, plans or regulations issued, entered, promulgated or approved thereunder.

(ii) No Hazardous Materials:

(1) to the Company's Knowledge, have been disposed of or otherwise released by the Company or any of its Subsidiaries from any Real Property of the Company or any of its Subsidiaries in violation of any Environmental Laws; or

(2) to the Company's Knowledge, are present on, over, beneath, in or upon any Real Property or any portion thereof in quantities that would constitute a violation of any Environmental Laws. To the Company's Knowledge, no prior use by the Company or any of its Subsidiaries of any Real Property has occurred that violates any Environmental Laws, which violation would have a Material Adverse Effect.

(iii) To the Company's Knowledge, neither the Company nor any of its Subsidiaries knows of any other person who or entity which has stored, treated, recycled, disposed of or otherwise located on any Real Property any Hazardous Materials, including, without limitation, such substances as asbestos and polychlorinated biphenyls.

(iv) To the Company's Knowledge, none of the Real Property is on any federal or state "Superfund" list or Liability Information System ("**CERCLIS**") list or any state environmental agency list of sites under consideration for CERCLIS, nor subject to any environmental related Liens.

(kk) Management. During the past five year period, to the Company's Knowledge, no current named executive officer (as defined in Item 402 of Regulation S-K) or director has been the subject of:

(i) a petition under bankruptcy laws or any other insolvency or moratorium law or the appointment by a court of a receiver, fiscal agent or similar officer for such Person, or any partnership in which such person was a general partner, or any corporation or business association of which such person was an executive officer;

(ii) a conviction in a criminal proceeding or a named subject of a pending criminal proceeding (excluding traffic violations that do not relate to driving while intoxicated or driving under the influence);

(iii) any order, judgment or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, permanently or temporarily enjoining any such person from, or otherwise limiting, the following activities:

(1) Acting as a futures commission merchant, introducing broker, commodity trading advisor, commodity pool operator, floor broker, leverage transaction merchant, any other person regulated by the United States Commodity Futures Trading Commission or an associated person of any of the foregoing, or as an investment adviser, underwriter, broker or dealer in securities, or as an affiliated person, director or employee of any investment company, bank, savings and loan association or insurance company, or engaging in or continuing any conduct or practice in connection with such activity;

(2) Engaging in any particular type of business practice; or

(3) Engaging in any activity in connection with the purchase or sale of any security or commodity or in connection with any violation of securities laws or commodities laws;

(iv) any order, judgment or decree, not subsequently reversed, suspended or vacated, of any authority barring, suspending or otherwise limiting for more than 60 days the right of any such person to engage in any activity described in the preceding sub paragraph, or to be associated with persons engaged in any such activity;

(v) a finding by a court of competent jurisdiction in a civil action or by the SEC or other authority to have violated any securities law, regulation or decree and the judgment in such civil action or finding by the SEC or any other authority has not been subsequently reversed, suspended or vacated; or

(vi) a finding by a court of competent jurisdiction in a civil action or by the Commodity Futures Trading Commission to have violated any federal commodities law, and the judgment in such civil action or finding has not been subsequently reversed, suspended or vacated.

(ll) Cybersecurity. The Company and its Subsidiaries' information technology assets and equipment, computers, systems, networks, hardware, software, websites, applications, and databases (collectively, "**IT Systems**") are adequate for, and operate and perform in all material respects as required in connection with the operation of the business of the Company and its Subsidiaries as currently conducted, free and clear of all material bugs, errors, defects, Trojan horses, time bombs, malware and other corruptants. The Company and its Subsidiaries have implemented and maintained commercially reasonable physical, technical and administrative controls, policies, procedures, and safeguards to maintain and protect their material confidential information and the integrity, continuous operation, redundancy and security of all IT Systems and data, including "Personal Data," used in connection with their businesses. "**Personal Data**" means (i) a natural person's name, street address, telephone number, e-mail address, photograph, social security number or tax identification number, driver's license number, passport number, credit card number, bank information, or customer or account number; (ii) any information which would qualify as "personally identifying information" under the Federal Trade Commission Act, as amended; (iii) "personal data" as defined by the European Union General Data Protection Regulation ("**GDPR**") (EU 2016/679); and (iv) any other piece of information that allows the identification of such natural person, or his or her family, or permits the collection or analysis of any data related to an identified person's health or sexual orientation. To the Company's Knowledge, there have been no material breaches, violations, outages or unauthorized uses of or accesses to same, except for those that have been remedied without material cost or liability or the duty to notify any other person, nor any incidents under internal review or investigations relating to the same. The Company and its Subsidiaries are presently in material compliance with all applicable laws or statutes and all judgments, orders, rules and regulations of any court or arbitrator or governmental or regulatory authority, internal policies and contractual obligations relating to the privacy and security of IT Systems and Personal Data and to the protection of such IT Systems and Personal Data from unauthorized use, access, misappropriation or modification.

(mm) Compliance with Data Privacy Laws. The Company and its Subsidiaries are, and at all prior times were, in material compliance with all applicable state and federal data privacy and security laws and regulations, and the Company and its Subsidiaries have taken commercially reasonable actions to prepare to comply with, and since May 25, 2018, have been and currently are in compliance with, the GDPR (EU 2016/679) (collectively, the "**Privacy Laws**"). To ensure compliance with the Privacy Laws, the Company and its Subsidiaries have in place, comply with, and take appropriate steps reasonably designed to ensure compliance in all material respects with their policies and procedures relating to data privacy and security and the collection, storage, use, disclosure, handling, and analysis of Personal Data (the "**Policies**"). The Company and its Subsidiaries have at all times made all disclosures to users or customers required by applicable laws and regulatory rules or requirements, and none of such disclosures made or contained in any Policy have, to the Company's Knowledge, been inaccurate or in violation of any applicable laws and regulatory rules or requirements in any material respect. To the Company's Knowledge, neither the Company nor any Subsidiary: (i) has received notice of any actual or potential liability under or relating to, or actual or potential violation of, any of the Privacy Laws, and has no knowledge of any event or condition that would reasonably be expected to result in any such notice; (ii) is currently conducting or paying for, in whole or in part, any investigation, remediation, or other corrective action pursuant to any Privacy Law; or (iii) is a party to any order, decree, or agreement that imposes any obligation or liability under any Privacy Law.

(nn) Transfer Taxes. All transfer, stamp, registration, court or documentary, recording, filing or other similar taxes (other than taxes imposed on or measured by net income (however denominated)) which are required to be paid by the Company in connection with the issuance, registration, sale or transfer of the Securities to be sold to the Buyer hereunder will be, or will have been, fully paid or provided for by the Company, and all laws imposing such taxes will be or will have been complied with in all material respects.

(oo) Insurance. The Company and each of its Subsidiaries, if any, are insured by insurers of recognized financial responsibility against such losses and risks and in such amounts as management of the Company believes to be prudent and customary in the businesses in which the Company and its Subsidiaries, if any, are engaged. Neither the Company nor any such Subsidiary, if any, has been refused any insurance coverage sought or applied for and, to the Company's Knowledge, neither the Company nor any such Subsidiary, if any, has any reason to believe that it will be unable to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its business at a cost that would not have a Material Adverse Effect.

(pp) U.S. Real Property Holding Corporation. Neither the Company nor any of its Subsidiaries, if any, is, or has ever been, a U.S. real property holding corporation within the meaning of Section 897 of the Internal Revenue Code of 1986, as amended, and the Company and each Subsidiary shall so certify upon the Buyer's request.

(qq) No Disagreements with Accountants and Lawyers. There are no material disagreements of any kind presently existing, or reasonably anticipated by the Company to arise, between the Company and the accountants and lawyers formerly or presently employed by the Company and the Company is current with respect to any fees owed to its accountants and lawyers which could affect the Company's ability to perform any of its obligations under any of the Transaction Documents.

4. COVENANTS.

(a) Best Efforts. Each party hereto shall use its best efforts to timely satisfy each of the conditions to be satisfied by it as provided in Sections 5 and 6.

(b) Form D and Blue Sky. The Company agrees to file a Form D with respect to the Securities as required under Regulation D and to provide a copy thereof to the Buyer promptly after such filing. The Company shall, on or before each Closing, take such action as the Company shall reasonably determine is necessary in order to obtain an exemption for or to qualify the Securities for sale to the Buyer at such Closing pursuant to this Agreement under applicable securities or "Blue Sky" laws of the states of the United States (or to obtain an exemption from such qualification), and shall provide evidence of any such action so taken to the Buyer on or prior to each Closing. The Company shall make all filings and reports relating to the offer and sale of the Securities required under applicable securities or "Blue Sky" laws of the states of the United States following each Closing.

(c) Reporting Status. Until the date on which the Buyer does not hold any Shares (the "**Reporting Period**"), the Company shall timely file all reports required to be filed with the SEC pursuant to the 1934 Act (reports filed in compliance with the time period specified in Rule 12b-25 promulgated under the 1934 Act or SEC or SEC staff issued relief shall be considered timely for this purpose), and the Company shall not terminate its status as an issuer required to file reports under the 1934 Act even if the 1934 Act or the rules and regulations thereunder would no longer require or otherwise permit such termination, and the Company shall take all actions necessary to maintain its eligibility to register the Underlying Shares for resale by the Buyer on Form S-1.

(d) Use of Proceeds. The Company will use the proceeds from each Closing to consummate the Proposed Transaction and pay costs and expenses incurred in connection therewith. In furtherance thereof, the Company agrees to retain the net proceeds from each Closing in its bank account(s) and use such proceeds solely for the purposes of consummating the Proposed Transaction and paying costs and expenses incurred in connection therewith. In the event the Proposed Transaction does not close on or before March 3, 2021, the Purchase Price paid to the Company shall be refunded to the Buyer in full.

(e) Financial Information. The Company agrees to send the following to the Buyer so long as it holds Shares during the Reporting Period (i) unless the following are filed with the SEC through EDGAR and are available to the public through the EDGAR system, within one Business Day after the filing thereof with the SEC, a copy of its Annual Reports on Form 10-K, any Quarterly Reports on Form 10-Q, any Current Reports on Form 8-K (or any analogous reports under the 1934 Act) and any registration statements (other than on Form S-8) or amendments filed pursuant to the 1933 Act, and (ii) copies of any notices and other information made available or given to the stockholders of the Company generally, contemporaneously with the making available or giving thereof to the stockholders. As used herein, "**Business Day**" means any day other than Saturday, Sunday or other day on which commercial banks in The City of New York are authorized or required by law to remain closed.

(f) Listing. The Company shall promptly secure the listing of all of the Underlying Shares upon each national securities exchange and automated quotation system, if any, upon which the Common Stock is then listed (subject to official notice of issuance) and shall maintain such listing of all Underlying Shares from time to time issuable under the terms of the Preferred Stock. For so long as the Buyer owns any Shares, (i) the Company shall maintain the authorization for quotation of the Common Stock on the Principal Market or The New York Stock Exchange, the NYSE American, the Nasdaq Global Market, the Nasdaq Global Select Market, the OTC Bulletin Board, the OTCQB or the OTCQX (or any successors to any of the foregoing) ("**Trading Market**"), and (ii) neither the Company nor any of its Subsidiaries shall take any action which would be reasonably expected to result in the suspension of quotation of the Common Stock on the Principal Market other than in connection with, as a result of or after listing of the Common Stock on The New York Stock Exchange, the NYSE American, the Nasdaq Global Market, the Nasdaq Global Select Market, or any other recognized stock exchange in North America, including, without limitation, the Toronto Stock Exchange, the TSX Venture Exchange, the NEO Exchange Inc. or the Canadian Securities Exchange (or any successors to any of the foregoing). The Company shall pay all fees and expenses in connection with satisfying its obligations under this Section 4(f).

(g) Fees. The Company shall be responsible for the payment of any placement agent fees, financial advisory fees, or broker's commissions (other than those for Persons engaged by the Buyer) relating to or arising out of the transactions contemplated hereby, including, without limitation, any fees or commissions payable to placement agents, including any reasonable legal fees and expenses of such placement agents. The Company shall pay, and hold the Buyer harmless against, any liability, loss or expense (including, without limitation, reasonable attorney's fees and out-of-pocket expenses) arising in connection with any claim relating to any such payment. Except as otherwise set forth in the Transaction Documents, each party to this Agreement shall bear its own expenses in connection with the sale of the Shares to the Buyer.

(h) Disclosure of Transactions and Other Material Information. On or before 9:00 AM New York City time four Business Days after the date hereof, the Company (A) may issue a press release disclosing all material terms of the transactions contemplated hereby and (B) shall file a Current Report on Form 8-K describing the terms of the transactions contemplated by the Transaction Documents in the form required by the 1934 Act and attaching the material Transaction Documents to the extent required by law (the "**8-K Filing**"). Subject to the foregoing, neither the Company or its Subsidiaries nor the Buyer shall issue any press releases or any other public statements with respect to the transactions contemplated hereby; provided, however, that the Company shall be entitled, without the prior approval of the Buyer, to make any press release or other public disclosure with respect to such transactions (i) in substantial conformity with the 8-K Filing and contemporaneously therewith and (ii) as is required by Applicable Law. Except for any registration statement filed in accordance with this Agreement, the 8-K Filing and as required by Applicable Law and Trading Market regulations, without the prior written consent of the Buyer, neither the Company nor any of its Subsidiaries or affiliates shall disclose the name of the Buyer in any filing, announcement, release or otherwise.

(i) Reservation of Shares of Common Stock. So long as the Buyer owns any Shares, the Company shall take all action necessary to at all times after the date hereof have authorized, and reserved for the purpose of issuance, no less than the number of shares of Common Stock issuable upon conversion of the Shares then outstanding based on the then current conversion price. If at any time the number of shares of Common Stock so authorized and reserved for issuance is not sufficient to meet the foregoing obligation, the Company will promptly take all corporate action necessary to authorize and reserve a sufficient number of shares of Common Stock, including, without limitation, calling a special meeting of stockholders to authorize additional shares of Common Stock to meet such obligation.

(j) Buyer's Lock-Up. Notwithstanding anything to the contrary contained herein, the Buyer agrees that the Buyer will not (and any transferee of Shares held or formerly held by the Buyer may not), without the prior written consent of the Company, directly or indirectly, assign, sell, pledge, contract to sell (including any short sale), grant any option to purchase, enter into any contract to sell or otherwise dispose of or transfer (collectively, "**Transfer**") any Underlying Shares (as defined below) before and including the first anniversary of the date of the Buyer's acquisition of the Shares to which such Underlying Shares relate (the "**Issue Date**"). Thereafter, the Buyer will only (and any transferee of Shares held or formerly held by the Buyer may only) Transfer (i) up to an aggregate of 25% of such Underlying Shares at any time following the first anniversary of the Issue Date until the eighteen month anniversary of the Issue Date, (ii) together with any Underlying Shares Transferred under clause (i), up to an aggregate of 50% of such Underlying Shares at any time following the eighteen month anniversary of the Issue Date until the second anniversary of the Issue Date, and (iii) all of such Underlying Shares any time following the second anniversary of the Issue Date; provided, however, that the Buyer may Transfer all of such Underlying Shares at any time following the first Listing Event that occurs after the Issue Date; provided further, that this Section 4(j) shall not apply to the Buyer's Underlying Shares issued upon conversion of Shares in connection with an Anticipated Change of Control Notice or a Forced Redemption Notice (in the latter case, solely with respect to Underlying Shares issued upon conversion of the Shares that are the subject of such Forced Redemption Notice). The term "**Underlying Shares**" means, as of any time of determination and with respect to any particular Shares, the shares of Common Stock then-issued plus the shares of Common Stock then-remaining issuable upon conversion of such Shares in accordance with the terms of the Certificate of Designation. Any Transfer by the Buyer (or any transferee of Shares held or formerly held by the Buyer) is subject to and conditioned upon the intended recipient's delivery to the Company of a written undertaking, in form and substance acceptable to the Company, pursuant to which the intended recipient agrees to be bound by substantially the same restrictions as set forth in this Section 4(j). Any purported Transfer of any Shares or Underlying Shares by the Buyer (or any transferee of Shares or Underlying Shares held or formerly held by the Buyer) not made in compliance with the requirements of this Section 4(j) shall be null and void ab initio, shall not be recorded on the books of the Company or its transfer agent and shall not be recognized by the Company.

(k) Notice of Disqualification Events. The Company will notify the Buyer in writing prior to each Closing of (i) any Disqualification Event relating to any Issuer Covered Person and (ii) any event that would, with the passage of time, become a Disqualification Event relating to any Issuer Covered Person.

(l) Compliance with Cannabis Law. The Company shall take all action to comply with state cannabis laws and regulations, including making all requisite filings under such laws and regulations as and when required.

(m) Registration.

(i) After the earlier to occur of (1) a Listing Event (as defined in the Certificate of Designation), and (2) the date that is 12 months after the Original Issue Date (as defined in the Certificate of Designation), if and for as long as the Buyer holds Shares convertible into shares of Common Stock with a market value that is equal to at least $10,000,000 the Buyer shall have the right to require the Company at any time, and from time to time, to file a registration statement on Form S-1 (or if eligible to use Form S-3, a registration statement on Form S-3) with the SEC covering the resale of the Underlying Shares (each such registration statement and each registration statement filed pursuant to Section 4(m)(ii), a "**Resale Registration Statement**").

(ii) The Company also agrees that to the extent it files any registration statement with the SEC, other than a registration statement on Form S-8, Form S-4 or Form S-3, it will prior to filing such registration statement, give the Buyer reasonable written notice in order to permit the Buyer to include in such registration statement, the resale of the Underlying Shares; provided, however, that if, solely in connection with any primary underwritten public offering for the account of the Company, the managing underwriter(s) thereof shall, in its reasonable discretion, impose a limitation on the number of Underlying Shares which may be included in such registration statement because, in such underwriter(s)' judgment, marketing or other factors dictate such limitation is necessary to facilitate public distribution, then the Company shall be obligated to allocate for inclusion in such registration statement the Underlying Shares of each participating holder of Underlying Shares in direct proportion (as nearly as practicable) to the number of Underlying Shares requested to be included by such holder; provided, however, that the Buyer shall not be disproportionately negatively affected as compared to other holders of Company securities to be registered.

(iii) The Company will promptly file and use best efforts to cause to become promptly effective such Resale Registration Statement as well as any filings required under any applicable state securities laws or regulations. The Company shall keep such Resale Registration Statement effective until the earlier of (1) such time as all of the Underlying Shares registered for resale under such Resale Registration Statement have been sold pursuant to such Resale Registration Statement or otherwise, or (2) such time as the Underlying Shares registered for resale under such Resale Registration Statement may be sold under Rule 144 without restriction or limitation and without the requirement to be in compliance with Rule 144(c)(1). The Buyer's right to demand registration of the Underlying Shares shall not terminate until such time as all the Underlying Shares have been registered for resale with the SEC and the Buyer has sold or otherwise transferred to Persons not affiliated with the Buyer all of such Underlying Shares. All costs related to the preparation, filing and effectiveness of such registrations, including accounting and legal fees and expenses (including reasonable fees and expenses of counsel for the Buyer) shall be borne by the Company. The Company will enter into an agreement with the Buyer including customary terms and conditions for any such registration, including customary indemnification provisions.

(iv) Notwithstanding the foregoing obligations, the Company may, upon written notice to the Buyer, for a reasonable period of time, not to exceed 45 days in the case of clauses (1) and (2) below, or 30 days in the case of clause (3) below (each, a "**Suspension Period**"), delay the filing of a Resale Registration Statement or a request for acceleration of the effective date, or suspend the effectiveness of any Resale Registration Statement, in the event that (1) the Company is engaged in any activity or transaction or preparations or negotiations for any activity or transaction that the Company desires to keep confidential for business reasons, if the Company's board of directors determines in its reasonable good faith judgement that the public disclosure requirements imposed on the Company under the Securities Act in connection with the Resale Registration Statement would require at that time disclosure of such activity, transaction, preparations or negotiations and such disclosure could result in material harm to the Company or its business transactions or activities, (2) the Company does not yet have appropriate financial statements of any acquired or to be acquired entities necessary for filing, or (3) any other event occurs that makes any statement of a material fact made in such Resale Registration Statement, including any document incorporated by reference therein, untrue or that requires the making of any additions or changes in the Resale Registration Statement in order to make the statements therein not misleading. The Company may not invoke its right to suspend or delay a registration statement pursuant to this Section 4(m)(iv) more than twice in any twelve month period. If the Company suspends the effectiveness of a Resale Registration Statement pursuant to this Section 4(m)(iv), the Company shall, as promptly as reasonably practicable following the termination of the circumstance which entitled the Company to do so, take such actions as may be necessary to reinstate the effectiveness of such Resale Registration Statement and give written notice to the Buyer authorizing the Buyer to resume offerings and sales pursuant to such Resale Registration Statement.

(v) It shall be a condition precedent to the obligations of the Company to file or effect any Resale Registration Statement pursuant to this Section 4(m) that the Buyer shall furnish to the Company such information regarding itself, the Company securities held by it and the intended method of disposition of the Underlying Shares held by it as shall be reasonably required to effect and maintain the effectiveness of the registration of such Resale Registration Statement and shall execute such documents in connection with such registration as the Company may reasonably request.

(vi) Notwithstanding anything contained herein to the contrary, the Company shall not be obligated to (1) effect a registration pursuant to this Section 4(m) within 90 days after the effective date of a previous registration; (2) effect a registration pursuant to this Section 4(m) unless the request is for a number of shares of Common Stock with a market value that is equal to at least $3,000,000 as of the date of such request; (3) effect a registration if the Company has effected two registrations on a Resale Registration Statement in the 12-month period prior to such request, or (4) file or effect a Resale Registration Statement with respect to any Underlying Shares subject to a registration demand that may be sold under Rule 144 without restriction or limitation and without the requirement to be in compliance with Rule 144(c)(1) limitation.

(n) Closing Documents. On or prior to 14 calendar days after each Closing, the Company agrees to deliver, or cause to be delivered, to the Buyer a complete closing set of the executed Transaction Documents and any other documents required to be delivered to any party hereto pursuant to Section 6 hereof or otherwise.

(o) Equity Incentive Plan Limitation. For as long as the Buyer holds Shares, without the prior written consent of the holders of at least a majority of the then-outstanding shares of Preferred Stock, the Company shall not have issued and outstanding awards under any equity incentive plan for the issuance of shares of Common Stock representing more than 12% of the then-issued and outstanding shares of Common Stock (calculated on an as-converted, fully-diluted basis, excluding warrants) in the aggregate.

(p) Regulation M. The Company will not take any action prohibited by Regulation M under the 1934 Act, in connection with the distribution of the Securities contemplated hereby.

(q) General Solicitation. None of the Company, any of its affiliates (as defined in Rule 501(b) under the 1933 Act) or any person acting on behalf of the Company or such affiliate will solicit any offer to buy or offer or sell the Preferred Stock by means of any form of general solicitation or general advertising within the meaning of Regulation D, including: (i) any advertisement, article, notice or other communication published in any newspaper, magazine or similar medium or broadcast over television or radio; and (ii) any seminar or meeting whose attendees have been invited by any general solicitation or general advertising.

(r) Integration. None of the Company, any of its affiliates (as defined in Rule 501(b) under the 1933 Act), or any person acting on behalf of the Company or such affiliate will sell, offer for sale, or solicit offers to buy or otherwise negotiate in respect of any security (as defined in the 1933 Act) which will be integrated with the sale of the Securities in a manner which would require the registration of the Securities under the 1933 Act or require stockholder approval under the rules and regulations of the Principal Market and the Company will take all action that is appropriate or necessary to assure that its offerings of other securities will not be integrated for purposes of the 1933 Act or the rules and regulations of the Principal Market, with the issuance of Securities contemplated hereby.

5. CONDITIONS TO THE COMPANY'S OBLIGATION TO SELL.

(a) The obligation of the Company hereunder to issue and sell the Shares to the Buyer at each Closing is subject to the satisfaction, at or before such Closing, of each of the following conditions, provided that these conditions are for the Company's sole benefit and may be waived by the Company at any time in its sole discretion by providing the Buyer with prior written notice thereof:

(i) The Buyer shall have executed each of the Transaction Documents to which it is a party and delivered the same to the Company.

(ii) The Buyer shall have delivered to the Company the Buyer's aggregate Purchase Price, for the Shares being purchased by the Buyer at such Closing by wire transfer of immediately available funds pursuant to the wire instructions provided by the Company.

(iii) The representations and warranties of the Buyer shall be true and correct as of the date when made and as of such Closing as though made at that time (except for representations and warranties that speak as of a specific date which shall be true and correct as of such specified date), and the Buyer shall have performed, satisfied and complied in all material respects with the covenants, agreements and conditions required by this Agreement to be performed, satisfied or complied with by the Buyer at or prior to such Closing.

6. CONDITIONS TO THE BUYER'S OBLIGATION TO PURCHASE.

(a) The obligation of the Buyer hereunder to purchase the Shares that the Buyer is purchasing at each Closing is subject to the satisfaction, at or before such Closing, of each of the following conditions, provided that these conditions are for the Buyer's sole benefit and may be waived by the Buyer at any time in its sole discretion by providing the Company with prior written notice thereof:

(i) The Company shall have duly executed and delivered to the Buyer (A) each of the Transaction Documents, and (B) the Shares being purchased by the Buyer at such Closing pursuant to this Agreement.

(ii) The representations and warranties of the Company shall be true and correct as of the date when made and as of such Closing as though made at that time (except for representations and warranties that speak as of a specific date which shall be true and correct as of such specified date) and the Company shall have performed, satisfied and complied in all material respects with the covenants, agreements and conditions required by the Transaction Documents to be performed, satisfied or complied with by the Company at or prior to such Closing. The Buyer shall have received a certificate, executed by an officer of the Company, dated as of such Closing, to the foregoing effect and as to such other matters as may be reasonably requested by the Buyer in the form attached hereto as Exhibit A.

(iii) The Common Stock (I) shall be designated for quotation on the Principal Market and (II) shall not have been suspended, as of such Closing, by the SEC or the Principal Market from trading on the Principal Market nor shall suspension by the SEC or the Principal Market have been threatened, as of such Closing, either (A) in writing by the SEC or the Principal Market or (B) by falling below the minimum listing maintenance requirements of the Principal Market.

(iv) The Company shall have obtained all governmental, regulatory or third party consents and approvals, if any, necessary for the sale of the Shares and the consummation of the transactions contemplated hereby.

(v) The Company shall have delivered to the Buyer such other documents relating to the transactions contemplated by this Agreement as the Buyer or its counsel may reasonably request.

(vi) The Company shall have raised or otherwise secured a minimum of $31,520,000 of capital from any combination of the sale of shares of Preferred Stock and proceeds to be disbursed to the Company from a loan under a credit facility evidenced by a commitment to lend (provided that such commitment may be subject to draw on the credit facility and may be funded in tranches; exclusive of original issue discount on the loan).

7. MISCELLANEOUS.

(a) Governing Law; Jurisdiction; Jury Trial. All questions concerning the construction, validity, enforcement and interpretation of this Agreement shall be governed by the internal laws of the State of Nevada, without giving effect to any choice of law or conflict of law provision or rule (whether of the State of Nevada or any other jurisdictions) that would cause the application of the laws of any jurisdictions other than the State of Nevada. Each party hereby irrevocably submits to the exclusive jurisdiction of the state and federal courts sitting in the City of New York, Borough of Manhattan for the adjudication of any dispute hereunder or in connection herewith or with any transaction contemplated hereby or discussed herein, and hereby irrevocably waives, and agrees not to assert in any suit, action or proceeding, any claim that it is not personally subject to the jurisdiction of any such court, that such suit, action or proceeding is brought in an inconvenient forum or that the venue of such suit, action or proceeding is improper. Each party hereby irrevocably waives personal service of process and consents to process being served in any such suit, action or proceeding by mailing a copy thereof to such party at the address for such notices to it under this Agreement and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing contained herein shall be deemed to limit in any way any right to serve process in any manner permitted by law. **EACH PARTY HEREBY IRREVOCABLY WAIVES ANY RIGHT IT MAY HAVE, AND AGREES NOT TO REQUEST, A JURY TRIAL FOR THE ADJUDICATION OF ANY DISPUTE HEREUNDER OR IN CONNECTION WITH OR ARISING OUT OF THIS AGREEMENT OR ANY TRANSACTION CONTEMPLATED HEREBY.**

(b) Counterparts. This Agreement may be executed in two or more counterparts, all of which shall be considered one and the same agreement and shall become effective when counterparts have been signed by each party and delivered to the other party; provided that a facsimile or .pdf signature shall be considered due execution and shall be binding upon the signatory thereto with the same force and effect as if the signature were an original, not a facsimile or .pdf signature.

(c) Headings. The headings of this Agreement are for convenience of reference and shall not form part of, or affect the interpretation of, this Agreement.

(d) Severability. If any provision of this Agreement is prohibited by law or otherwise determined to be invalid or unenforceable by a court of competent jurisdiction, the provision that would otherwise be prohibited, invalid or unenforceable shall be deemed amended to apply to the broadest extent that it would be valid and enforceable, and the invalidity or unenforceability of such provision shall not affect the validity of the remaining provisions of this Agreement so long as this Agreement as so modified continues to express, without material change, the original intentions of the parties as to the subject matter hereof and the prohibited nature, invalidity or unenforceability of the provision(s) in question does not substantially impair the respective expectations or reciprocal obligations of the parties or the practical realization of the benefits that would otherwise be conferred upon the parties. The parties will endeavor in good faith negotiations to replace the prohibited, invalid or unenforceable provision(s) with a valid provision(s), the effect of which comes as close as possible to that of the prohibited, invalid or unenforceable provision(s).

(e) Entire Agreement; Amendments. This Agreement and the other Transaction Documents supersede all other prior oral or written agreements between the Buyer, the Company, their affiliates and Persons acting on their behalf with respect to the matters discussed herein, and this Agreement, the other Transaction Documents and the instruments referenced herein and therein contain the entire understanding of the parties with respect to the matters covered herein and therein and, except as specifically set forth herein or therein, neither the Company nor the Buyer makes any representation, warranty, covenant or undertaking with respect to such matters. No provision of this Agreement may be amended or waived other than by an instrument in writing signed by the Company and the Buyer, and any amendment or waiver to this Agreement made in conformity with the provisions of this Section 7(e) shall be binding on all holders of Securities and the Company. No such amendment shall be effective to the extent that it applies to less than all of the holders of the applicable Securities then outstanding. No consideration shall be offered or paid to any Person to amend or consent to a waiver or modification of any provision of any of the Transaction Documents unless the same consideration (other than the reimbursement of legal fees) also is offered to all of the parties to the Transaction Documents; provided, however, for clarity, any Person's participation in a subsequent securities offering of the Company shall not be consideration for this purpose. The Company has not, directly or indirectly, made any agreements with the Buyer relating to the terms or conditions of the transactions contemplated by the Transaction Documents except as set forth in the Transaction Documents. Without limiting the foregoing, the Company confirms that, except as set forth in this Agreement, the Buyer has not made any commitment or promise or has any other obligation to provide any financing to the Company or otherwise. Whenever this Agreement requires the consent or approval of the holders of the Preferred Stock, unless otherwise expressly and specifically set forth in this Agreement, such consent or approval shall require the approval of the Buyer.

(f) Notices. Any notices, consents, waivers or other communications required or permitted to be given under the terms of this Agreement or any of the other Transaction Documents must be in writing and will be deemed to have been delivered: (i) upon receipt, when delivered personally; (ii) upon delivery, when sent by facsimile (provided confirmation of transmission is mechanically or electronically generated and kept on file by the sending party) or by electronic mail; (iii) upon delivery, when sent by electronic mail (provided that the sending party does not receive an automated rejection notice); or (iv) upon receipt, when sent by overnight courier service, in each case properly addressed to the party to receive the same. The addresses, facsimile numbers and e-mail addresses for such communications shall be:

If to the Company:

Medicine Man Technologies, Inc.
4880 Havana Street, Suite 201
Denver, CO 80239
Telephone: (303) 371-0387
Facsimile: (303) 371-0598
Attention: General Counsel
E-mail: dan@schwazze.com

If to the Buyer, to the Buyer's address and e-mail address set forth on the signature page hereto, with copies to the Buyer's representatives as set forth on its signature page hereto. Any notice address, facsimile number or email address for a party may be changed by delivering such other address, facsimile number and/or e-mail address and/or to the attention of such other Person as the specified by written notice given to the Company or the Buyer, as applicable, five calendar days prior to the effectiveness of such change. Written confirmation of receipt (A) given by the recipient of such notice, consent, waiver or other communication, (B) mechanically or electronically generated by the sender's facsimile machine or e-mail containing the time, date, recipient facsimile number and an image of the first page of such transmission or (C) provided by an overnight courier service shall be rebuttable evidence of personal service, receipt by facsimile or receipt from an overnight courier service in accordance with clause (i), (ii) or (iii) above, respectively.

(g) Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns. The Company shall not assign this Agreement or any rights or obligations hereunder without the prior written consent of the Buyer. The Buyer shall not assign this Agreement or any rights or obligations hereunder without the prior written consent of the Company.

(h) No Third Party Beneficiaries. This Agreement is intended for the benefit of the parties hereto and their respective permitted successors and assigns, and is not for the benefit of, nor may any provision hereof be enforced by, any other Person.

(i) Survival. Unless this Agreement is terminated by mutual written agreement between the Company and the Buyer, the covenants and agreements of the Company and the Buyer shall survive each Closing. The representations and warranties of the Company and the Buyer shall survive each Closing until the two-year anniversary thereof.

(j) Further Assurances. Each party shall do and perform, or cause to be done and performed, all such further acts and things, and shall execute and deliver all such other agreements, certificates, instruments and documents, as any other party may reasonably request in order to carry out the intent and accomplish the purposes of this Agreement and the consummation of the transactions contemplated hereby.

(k) Indemnification.

(i) In consideration of the Buyer's execution and delivery of the Transaction Documents and acquiring the Securities thereunder and in addition to all of the Company's other obligations under the Transaction Documents, the Company shall defend, protect, indemnify and hold harmless the Buyer and its stockholders, partners, members, officers, directors, employees and direct or indirect investors and any of the foregoing Persons' agents or other representatives (including, without limitation, those retained in connection with the transactions contemplated by this Agreement) (collectively, the "**Indemnitees**") from and against any and all actions, causes of action, suits, claims, losses, costs, penalties, fees, liabilities and damages, other than special, exemplary, incidental, punitive or consequential damages, including lost profits, diminution in value, damage to reputation or the like unless any such damages are awarded to a third party, and expenses in connection therewith (irrespective of whether any such Indemnitee is a party to the action for which indemnification hereunder is sought), and including reasonable attorneys' fees and disbursements (the "**Indemnified Liabilities**"), incurred by any Indemnitee as a result of, or arising out of, or relating to (x) any misrepresentation or breach of any representation or warranty made by the Company or any Subsidiary in this Agreement, or (y) any breach of any covenant, agreement or obligation of the Company or any Subsidiary contained in this Agreement or (z) any untrue or alleged untrue statement of a material fact contained in any Resale Registration Statement or any amendment thereof or supplement thereto or any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein not misleading; provided, however, that the Company will not be liable in any such case to the extent that any such Indemnified Liabilities (A) arise primarily out of or is based primarily upon the inaccuracy of any representations and warranties made by the Buyer in this Agreement or (B) are caused by or contained in any information furnished in writing to the Company by the Buyer expressly for use in a Resale Registration Statement or any amendment thereof or supplement thereto. To the extent that the foregoing undertaking by the Company may be unenforceable for any reason, the Company shall make the maximum contribution to the payment and satisfaction of each of the Indemnified Liabilities which is permissible under applicable law. Notwithstanding anything to the contrary herein, the Company's aggregate liability under this Section 7(k) to any Indemnitee shall not exceed the Purchase Price paid by the Buyer.

(ii) Promptly after receipt by an Indemnitee under this Section 7(k) of notice of the commencement of any action or proceeding (including, without limitation, any governmental action or proceeding) involving an Indemnified Liability, such Indemnitee shall, if a claim in respect thereof is to be made against any indemnifying party under this Section 7(k), deliver to the indemnifying party a written notice of the commencement thereof, and the indemnifying party shall have the right to participate in, and, to the extent the indemnifying party so desires, jointly with any other indemnifying party similarly noticed, to assume control of the defense thereof with counsel mutually satisfactory to the indemnifying party and the Indemnitee; provided, however, that an Indemnitee shall have the right to retain its own counsel with the fees and expenses of such counsel to be paid by the indemnifying party if: (x) the indemnifying party has agreed in writing to pay such fees and expenses; (y) the indemnifying party shall have failed promptly to assume the defense of such Indemnified Liability and to employ counsel reasonably satisfactory to such Indemnitee in any such Indemnified Liability; or (z) the named parties to any such Indemnified Liability (including, without limitation, any impleaded parties) include both such Indemnitee and the indemnifying party, and such Indemnitee shall have been advised by counsel that a conflict of interest is likely to exist if the same counsel were to represent such Indemnitee and the indemnifying party (in which case, if such Indemnitee notifies the indemnifying party in writing that it elects to employ separate counsel at the expense of the indemnifying party, then the indemnifying party shall not have the right to assume the defense thereof and such counsel shall be at the expense of the indemnifying party), provided further that in the case of clause (z) above the indemnifying party shall not be responsible for the reasonable fees and expenses of more than one (1) separate legal counsel for such Indemnitee. The Indemnitee shall reasonably cooperate with the indemnifying party in connection with any negotiation or defense of any such action or claim by the indemnifying party and shall furnish to the indemnifying party all information reasonably available to the Indemnitee which relates to such Indemnified Liability. The indemnifying party shall keep the Indemnitee reasonably apprised at all times as to the status of the defense or any settlement negotiations with respect thereto. No indemnifying party shall be liable for any settlement of any action, claim or proceeding effected without its prior written consent; provided, however, the indemnifying party shall not unreasonably withhold, delay or condition its consent. No indemnifying party shall, without the prior written consent of the Indemnitee, consent to entry of any judgment or enter into any settlement or other compromise which does not include as an unconditional term thereof the giving by the claimant or plaintiff to such Indemnitee of a release from all liability in respect to such Indemnified Liability, and such settlement shall not include any admission as to fault on the part of the Indemnitee. Following indemnification as provided for hereunder, the indemnifying party shall be subrogated to all rights of the Indemnitee with respect to all third parties, firms or corporations relating to the matter for which indemnification has been made. The failure to deliver written notice to the indemnifying party within a reasonable time of the commencement of any such action shall not relieve such indemnifying party of any liability to the Indemnitee under this Section 7(k), except to the extent that the indemnifying party is materially and adversely prejudiced in its ability to defend such action. The indemnity agreements contained herein shall be in addition to (A) any cause of action or similar right of the Indemnitees against the indemnifying party or others, and (B) any liabilities the indemnifying party may be subject to pursuant to the law.

(l) Construction. The language used in this Agreement will be deemed to be the language chosen by the parties to express their mutual intent, and no rules of strict construction will be applied against any party. Each party hereto agrees that such party and/or its legal counsel has reviewed and had an opportunity to revise the Transaction Documents and, therefore, the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of the Transaction Documents or any amendments thereto. In addition, each and every reference to share prices and shares of Common Stock in any Transaction Document shall be subject to adjustment for reverse and forward stock splits, stock dividends, stock combinations and other similar transactions of the Common Stock that occur after the date of this Agreement.

(m) Remedies. The Buyer and each holder of the Securities shall have all rights and remedies set forth in the Transaction Documents and all rights and remedies which such holders have been granted at any time under any other agreement or contract and all of the rights which such holders have under any law. Any Person having any rights under any provision of this Agreement shall be entitled to enforce such rights specifically (without posting a bond or other security), to recover damages by reason of any breach of any provision of this Agreement and to exercise all other rights granted by law. Furthermore, the Company recognizes that in the event that it fails to perform, observe, or discharge any or all of its obligations under the Transaction Documents, any remedy at law may prove to be inadequate relief to the Buyer. The Company therefore agrees that the Buyer shall be entitled to seek temporary and permanent injunctive relief in any such case without the necessity of proving actual damages and without posting a bond or other security. The remedies provided in this Agreement and the other Transaction Documents shall be cumulative and in addition to all other remedies available under this Agreement and the other Transaction Documents, at law or in equity (including a decree of specific performance and/or other injunctive relief).

(n) Withdrawal Right. Notwithstanding anything to the contrary contained in (and without limiting any similar provisions of) this Agreement, whenever the Buyer exercises a right, election, demand or option under this Agreement and the Company or any Subsidiary does not timely perform its related obligations within the periods therein provided, then the Buyer may rescind or withdraw, in its sole discretion from time to time upon written notice to the Company or such Subsidiary (as the case may be), any relevant notice, demand or election in whole or in part without prejudice to its future actions and rights.

(o) Payment Set Aside. To the extent that the Company makes a payment or payments to the Buyer hereunder or pursuant to any of the other Transaction Documents or the Buyer enforces or exercises its rights hereunder or thereunder, and such payment or payments or the proceeds of such enforcement or exercise or any part thereof are subsequently invalidated, declared to be fraudulent or preferential, set aside, recovered from, disgorged by or are required to be refunded, repaid or otherwise restored to the Company, a trustee, receiver or any other Person under any law (including, without limitation, any bankruptcy law, foreign, state or federal law, common law or equitable cause of action), then to the extent of any such restoration the obligation or part thereof originally intended to be satisfied shall be revived and continued in full force and effect as if such payment had not been made or such enforcement or setoff had not occurred.

(p) Enforcement Fees. The prevailing party in any dispute under or relating to this Agreement shall have the right to collect from the other all costs and expenses incurred by such prevailing party as a result of enforcement of this Agreement and the collection of any amounts owed to such prevailing party hereunder (whether in cash, equity or otherwise), including, without limitation, reasonable attorneys' fees and expenses.

[Signature Page(s) Follows]

IN WITNESS WHEREOF, the Buyer and the Company have caused their respective signature page to this Securities Purchase Agreement to be duly executed as of the date first written above.

COMPANY:

MEDICINE MAN TECHNOLOGIES, INC.

By: /s/Justin Dye
Name: Justin Dye
Title: Chief Executive Officer

IN WITNESS WHEREOF, the Buyer and the Company have caused their respective signature page to this Securities Purchase Agreement to be duly executed as of the date first written above.

BUYER:

CRW CAPITAL CANN HOLDINGS, LLC

By: /s/ Jeff Cozad

Name: Jeff Cozad
Title: President
Address:
4740 W. Mockingbird Lane
PO Box #195579
Dallas, TX 75209

Copies of notices to:

Attention: Marc Rubin
Email: marc@revitycapital.com

EXHIBIT A

FORM OF OFFICER'S CERTIFICATE

(See attached.)

Exhibit 10.2

MEDICINE MAN TECHNOLOGIES, INC.

February 26, 2021

CRW Capital Cann Holdings, LLC
4740 W. Mockingbird Lane
PO Box #195579
Dallas, TX 75209

Ladies and Gentlemen:

This letter agreement (this "**Agreement**") will confirm our agreement that pursuant to and effective upon the closing of your purchase (the "**Purchase**") of up to 30,000 shares of Series A Preferred Stock of Medicine Man Technologies, Inc. (the "**Company**"), CRW Capital Cann Holdings, LLC (the "**Investor**") shall be entitled to the contractual rights set forth below, in addition to the rights specifically set forth in the Securities Purchase Agreement dated as of the date hereof by and between the Company and the Investor (the "**Purchase Agreement**") and the Certificate of Designation of the Company that is referenced in the Purchase Agreement (the "**Certificate of Designation**"). The offering of the Series A Preferred Stock of the Company contemplated by the Purchase Agreement and the Confidential PPM (as defined in the Purchase Agreement) is sometimes referred to herein as the "**Offering**." Capitalized terms that are used but not defined herein shall have the meaning given to them in the Purchase Agreement or, if applicable, the Certificate of Designation.

1. Board Nomination Rights.

(a) The Company shall take all actions to ensure that from and after the Closing and for so long as the Investor meets the Ownership Threshold (as defined below) as of the date of determination, the Company shall use its best efforts to appoint one individual designated by the Investor (an "**Investor Designee**") to the board of directors of the Company (the "**Board**"). The Investor's initial Investor Designee shall be Jeff Cozad (the "**Initial Designee**"). Following the Closing, the Company shall use its best efforts to cause the appointment to the Board of the Initial Designee and thereafter, for so long as the Investor's Board nomination right under this Section 1 continues, the Company will use its best efforts to cause the Investor Designee to be elected to the Board (including recommending that the Company's stockholders vote in favor of the election of such designee, soliciting proxies and contesting any proxy contest and otherwise supporting such designee for election in a manner no less rigorous and favorable than the manner in which the Company supports its other nominees); provided that if the Investor determines to designate a different individual ("**Replacement Designee**") as the Investor Designee, such obligation shall instead apply to the Replacement Designee. If the Investor Designee ceases to be a director of the Company, the Company shall use its best efforts to cause the appointment to the Board of a Replacement Designee nominated by the Investor to fill the vacancy and thereafter the Company will use its best efforts to cause the election of such an individual to the Board, subject to the same conditions and limitations as set forth in the foregoing sentence. During such time as the Investor Designee is a member of the Board, the Investor Designee shall be entitled to the same level of compensation, directors' and officers' indemnity insurance coverage and indemnity and exculpation protection (including under any indemnification agreement) as the other independent members of the Board. For purposes hereof, "**Ownership Threshold**" means that the Investor owns, in the aggregate, at least $15,000,000 of Preferred Stock, on an as-converted to Common Stock basis, as of any date of determination, based on the 30-Day Trailing VWAP (as defined below); provided, however, that the Ownership Threshold shall automatically be deemed to be satisfied at any time the Investor holds at least 15,000 (as such amount may be adjusted for stock splits, subdivisions, combinations and the like) shares of Preferred Stock. For purposes hereof, "**30-Day Trailing VWAP**" means, as of any date of determination, the volume-weighted average price per share of Common Stock on the exchange on which the Common Stock is then traded during the regular trading session (and excluding pre-market and after-hours trading) over the thirty (30) consecutive trading days prior to and including such determination date.

(b) For so long as the Investor is entitled to designate an Investor Designee for election to the Board under this letter agreement, each committee of the Board shall include the Investor Designee as a member or, if the Investor so elects, as an observer; provided, however, that if the Investor Designee is not eligible for membership on any given committee of the Board under then applicable listing and corporate governance standards of a trading exchange or any Applicable Law, then such committee shall include the Investor Designee as an observer only; provided, further, that the Company shall exercise all authority under Applicable Law to permit the inclusion of the Investor Designee on such committee, including, without limitation, by causing an increase in the number of directors on such committee.

(c) The Investor Designee shall take all action reasonably requested by the Company, at the Company's cost and expense, to comply with applicable state cannabis laws and regulations, including, without limitation, making all requisite filings under such laws and regulations as and when requested by the Company and the Investor Designee shall, at the Company's cost and expense, reasonably cooperate with the Company with respect to any report, filing, notification or other communication with or to any state governmental authority related to the Company's licenses, approvals, consents or obligations under state cannabis laws and regulations related to such Investor Designee's capacity as a director of the Company, including, without limitation, any investigation or inquiry by a state governmental authority related to any of the foregoing. If the Investor Designee is determined to be unsuitable or disqualified to serve on the Board by a state governmental authority, including, without limitation, the Colorado Marijuana Enforcement Division, such Investor Designee shall immediately resign from the Board and the Investor shall be entitled to appoint a Replacement Designee in accordance with the provisions of Section 1(a) above.

2. For so long as the Investor is entitled to designate an Investor Designee for election to the Board under this letter agreement, the Investor may examine the books and records of the Company and inspect its facilities and may request information at reasonable times and intervals concerning the general status of the Company's financial condition and operations, provided that the Investor may be excluded from access to any information or facilities if the Company determines in good faith, upon advice of counsel, that such exclusion is reasonably necessary to preserve the attorney-client privilege, to protect highly confidential proprietary information, or for other similar reasons; provided, however, that if any of the foregoing information constitutes or contains material, non-public information, the Company shall provide the Investor a statement asking whether the Investor is willing to accept material non-public information and provide such information to the Investor solely if the Investor consents to receive such information.

3. For so long as the Investor is entitled to designate an Investor Designee for election to the Board under this letter agreement, if the Investor is not represented on the Board, the Company shall, concurrently with delivery to the Board, give a representative of the Investor copies of all notices, minutes, consents and other material that the Company provides to its directors, except that the representative may be excluded from access to any material or meeting or portion thereof if the Board determines in good faith, upon advice of counsel, that such exclusion is reasonably necessary to preserve the attorney-client privilege, to protect highly confidential proprietary information, or for other similar reasons; provided, however, that if any of the foregoing material constitutes or contains material, non-public information, the Company shall provide the Investor a statement asking whether the Investor is willing to accept material non-public information and provide such information to the Investor solely if the Investor consents to receive such information. Upon reasonable notice and at a scheduled meeting of the Board or such other time, if any, as the Board may determine in its sole discretion, such representative may address the Board with respect to the Investor's concerns regarding significant business issues facing the Company.

4. If, on or after the Closing, the Company issues any rights or benefits containing provisions (including, without limitation, any of the terms of pricing, conversion price, exercise price, anti-dilution, liquidation, distributions, and registration rights) that are more favorable than those set forth in the Purchase Agreement and Certificate of Designation to any other holder of the Preferred Stock issued in the Offering who acquires an amount of Preferred Stock that is less than or equal to the amount of Preferred Stock acquired by the Investor pursuant to the Purchase Agreement, the Company will make such provisions (or any more favorable portion thereof) available to the Investor and will use best efforts to enter into amendments necessary to confer such rights on the Investor.

5. Right to Participate.

(a) From and after the Closing and for so long as the Investor meets the Ownership Threshold, the Company will not, directly or indirectly, issue, sell or grant any securities or options to purchase any of its securities (any such issuance, sale or grant being referred to as a "**Placement**"), unless the Company shall have first complied with this Section 5.

(b) At least five Trading Days prior to any proposed or intended Placement, the Company shall deliver to the Investor a written notice (each such notice, a "**Pre-Notice**"), which Pre-Notice shall not contain any information (including, without limitation, material, non-public information) other than: (i) if the proposed Offer Notice (as defined below) constitutes or contains material, non-public information, a statement asking whether the Investor is willing to accept material non-public information or (ii) if the proposed Offer Notice does not constitute or contain material, non-public information, (x) a statement that the Company proposes or intends to effect a Placement, (y) a statement that the statement in clause (x) above does not constitute material, non-public information and (z) a statement informing the Investor that it is entitled to receive an Offer Notice with respect to such Placement upon its written request. Upon the written request of the Investor within three Trading Days after the Company's delivery to the Investor of such Pre-Notice, and only upon a written request by the Investor, the Company shall promptly, but no later than one Trading Day after such request, deliver to the Investor an irrevocable written notice (the "**Offer Notice**") of any proposed or intended issuance, sale or grant (the "**Offer**") of the securities being offered (the "**Offered Securities**") in a Placement, which Offer Notice shall (A) identify and describe the Offered Securities, (B) describe the price and other terms upon which they are to be issued, sold or granted, and the number or amount of the Offered Securities to be issued, sold or granted, (C) identify the Persons (if known) to which or with which the Offered Securities are to be issued, sold or granted and (D) offer to issue and sell to the Investor in accordance with the terms of the Offer the Investor's pro rata portion of the Offered Securities, provided that the number of Offered Securities which the Investor shall have the right to subscribe for under this Section 5 shall be equal to a percentage of the Offered Securities determined as follows: the number of shares of Preferred Stock beneficially held by the Investor on the date of the Offer Notice on an as-converted to Common Stock basis shall be *divided by* the total number of shares of Common Stock outstanding on the date of the Offer Notice on an as-converted, fully-diluted basis (taking into account all outstanding securities of the Company regardless of whether the holders of such securities have the right to convert or exercise such securities for Common Stock at the time of determination).

(c) To accept an Offer, the Investor must deliver a written notice to the Company prior to the end of the fifth Trading Day after the Investor's receipt of the Offer Notice (the "**Offer Period**"), setting forth whether the Investor elects to purchase all or none (but not some) of the Offered Securities the Investor is eligible to purchase pursuant to this Section 5 (the "**Notice of Acceptance**"). Notwithstanding the foregoing, if the Company desires to modify or amend the terms and conditions of the Offer prior to the expiration of the Offer Period, the Company may deliver to the Investor a new Offer Notice and the Offer Period shall expire on the fifth Trading Day after the Investor's receipt of such new Offer Notice.

(d) The Company shall have ten Trading Days from the expiration of the Offer Period above to issue, sell or grant all or any part of such Offered Securities as to which a Notice of Acceptance has not been given by the Investor (the "**Refused Securities**") pursuant to a definitive agreement(s), but only upon terms and conditions that are not more favorable to the acquiring Person or Persons or less favorable to the Company than those set forth in the Offer Notice.

(e) Upon the closing of the issuance, sale or grant of the Offered Securities, the Investor shall acquire from the Company, and the Company shall issue to the Investor, the number or amount of Offered Securities specified in its Notice of Acceptance. Any Offered Securities not acquired by the Investor or other Persons in accordance with this Section 5 may not be issued or sold until they are again offered to the Investor under the procedures specified in this Section 5.

(f) Notwithstanding anything to the contrary in this Section 5 and unless otherwise agreed to in writing by the Investor, the Company shall either confirm in writing to the Investor that the transaction with respect to the Placement has been abandoned or shall publicly disclose its intention to issue the Offered Securities, in either case, in such a manner such that the Investor will not be in possession of any material, non-public information, by the fifth Trading Day following delivery of the Offer Notice. If by such fifth Trading Day, no public disclosure regarding a transaction with respect to the Offered Securities has been made, and no notice regarding the abandonment of such transaction has been received by the Investor, such transaction shall be deemed to have been abandoned and the Investor shall not be in possession of any material, non-public information with respect to the Company or any of its Subsidiaries. Should the Company decide to pursue a transaction with respect to the Offered Securities which had been deemed to have been abandoned pursuant to the preceding sentence, the Company shall provide the Investor with another Offer Notice and the Investor will again have the right of participation set forth in this Section 5.

(g) The participation rights contained in this Section 5 shall not apply to (i) securities issued to any employee, officer, director or consultant pursuant to any incentive equity plan that has been approved by the Board, (ii) any securities issued upon exercise, conversion or exchange of securities issued pursuant to clause (i) of this Section 5(g), (iii) any securities issues upon exercise, conversion or exchange of any securities that are outstanding on the Original Issue Date; provided, that any issuance of securities upon exercise, conversion or exchange of any securities that are outstanding on the Original Issue Date is made pursuant to the terms of such securities in effect on the Original Issue Date and such securities are not amended, modified or changed on or after the Original Issue Date in any manner that materially and adversely affects the Investor, (iv) securities issued by the Company in connection with acquisitions, joint ventures or debt financing of the Company, (v) any proportional subdivision of Common Stock or Preferred Stock (including any dividend or stock split), any combination of Common Stock or Preferred Stock or any other proportional recapitalization, or (vi) any securities issued as a dividend or other distribution made on the Preferred Stock or otherwise on a pro rata basis to all stockholders of the Company.

6. From and after the Closing and for so long as the Investor meets the Ownership Threshold, the Company shall not issue any Senior Securities without the written consent of the Investor, which the Investor may grant or withhold in its sole discretion.

7. The Company shall pay the Investor a monitoring fee equal to $150,000, which such monitoring fee shall be paid in monthly installments of $10,000 commencing on the date of the Closing.

8. This Agreement and the rights, privileges and obligations herein are personal to the Investor and may not be assigned, transferred, subcontracted or delegated (in whole or in part) by the Investor, including by operation of law, without the prior written consent of the Company to any Person other than an Affiliate of the Investor.

9. Unless earlier terminated pursuant to the terms hereof, this Agreement and the rights described herein shall terminate and be of no further force or effect upon the earlier of: (a) such time as no shares of the Company's stock are held by the Investor; (b) the Listing Event; or (c) completion of a Change of Control Transaction; provided, however, that this Agreement and the rights described herein shall not terminate solely as a result of the Common Stock ceasing to be listed on any Trading Market but, for the avoidance of doubt, this Agreement and the rights described herein shall terminate if any other element of the definition of Change of Control Transaction set forth in the Certificate of Designation (i.e., clause (a), (b) or (c) of such definition) occurs.

The parties acknowledge and agree that this Agreement is a Transaction Document as such term is defined under the Purchase Agreement and the provisions of Section 7 of the Purchase Agreement are incorporated herein by reference and shall apply hereto *mutatis mutandis*.

[Signature Page Follows]

Very truly yours,

CRW CAPITAL CANN HOLDINGS, LLC

By:/s/ Jeff Cozad
Name:Jeff Cozad
Title:President

Agreed and Accepted:

MEDICINE MAN TECHNOLOGIES, INC.

By:/s/ Justin Dye
Name:Justin Dye
Title:CEO

Exhibit 10.3

Conversion Notice and Agreement

February 26, 2021

Medicine Man Technologies, Inc.
4880 Havana St., Suite 201
Denver, CO 80239

Re: Medicine Man Technologies, Inc. ("Maker") Convertible Promissory Note and Security Agreement (the "Note"), dated December 16, 2020, issued by Maker to Dye Capital & Company, LLC ("Holder"). All capitalized terms used but not defined herein shall have the meanings assigned to such terms in the Note.

Holder hereby elects to convert all outstanding amounts under the Note, including, without limitation, all outstanding principal amount and all accrued and unpaid interest of the Note, on the date hereof which Holder and Maker acknowledge and agree totals $5,060,230.97 into shares of Preferred Stock at a conversion price equal to $1,000 per share in full satisfaction and repayment of the Note pursuant to Section 1.05(a) of the Note in connection with Maker's closing of a Qualified Financing on or about the date hereof. Holder agrees to surrender and deliver the original Note to Maker marked "paid in full" as soon as possible following the date hereof.

Other than (i) as expressly set forth in this Conversion Notice and Agreement (this "Agreement"), (ii) the receipt of shares of Preferred Stock upon conversion of the Note as set forth above, and (iii) the payment by Maker to Holder for any fractional shares pursuant to section 1.05(c) of the Note, Holder hereby fully and irrevocably waives any other rights, claims, losses, demands, defaults, events of default and remedies under the Note and the Purchase Agreement, fully and irrevocably releases and discharges Maker for same and acknowledges and agrees that, notwithstanding the fact that Holder may not have delivered and surrendered the original Note to Maker as of the date hereof, the Note is nevertheless hereby cancelled and deemed paid in full. Without limiting the generality of the foregoing, Holder hereby waives its right to receive any consideration and rights issued to CRW Capital Cann Holdings, LLC ("CRW") pursuant to the Securities Purchase Agreement and letter agreement entered into between Maker and CRW on or about the date hereof in connection with the Qualified Financing (copies of which have been provided to Holder and Holder hereby acknowledges receiving and reviewing).

Upon its execution of this Agreement, Maker agrees to issue to Holder 5,060 shares of Preferred Stock (the "Shares") and to pay to Holder $230.97 in lieu of Maker issuing any fractional shares of Preferred Stock to Maker upon the conversion of the Note pursuant to Section 1.05(c) of the Note (the "Cash Payment"). Upon issuance of the Shares and payment of the Cash Payment (i) Maker will be forever released from all its obligations and liabilities under the Note and the Note will be of no further force or effect, (iii) Holder's Lien (as defined in the Note) on the Collateral will be released, and (iii) Maker is authorized to take any and all action to terminate Holder's lien on the Collateral, including, without limitation, to file terminations of any financing statement.

When issued, the Shares shall be duly authorized, validly issued, fully paid and non-assessable, free and clear of all liens, security interests, mortgages, pledges, claims, charges and other encumbrances or restrictions on sale and free and clear of all preemptive rights, except encumbrances or restrictions arising under federal or state securities laws.

Holder hereby represents and warrants to Maker that the representations and warranties made by Holder to Maker in Section 3 of the Purchase Agreement are true and correct as if made on the date hereof.

From and after the date of this Agreement, upon the request of a party hereto, the other party hereto shall execute and deliver such instruments, documents or other writings as may be reasonably necessary or desirable to confirm, carry out and effectuate fully the intent and purposes of this Agreement.

This Agreement may be executed in multiple counterparts, each of which shall be deemed an original and all of which together shall constitute one instrument. A facsimile, electronic or other reproduction of this Agreement may be executed by one or more parties hereto, and an executed copy of this Agreement may be delivered by one or more parties hereto by facsimile or similar electronic transmission device pursuant to which the signature of or on behalf of such party can be seen, and such execution and delivery shall be considered valid, binding and effective for all purposes.

Sections 3.04 (Governing Law), 3.05 (Jurisdiction and Venue), 3.06 (Waiver of Jury Trial), 3.08 (Successor and Permitted Assigns), 3.09 (Notices) and 3.10 (Severability) are hereby incorporated by reference into and made a part of this Agreement, *mutatis mutandis*.

[Signature Page Follows]

Very truly yours,

DYE CAPITAL & COMPANY, LLC

By: /s/Justin Dye
Name: Justin Dye
Title: Authorized Person

ACCEPTED AND AGREED BY MAKER:

Medicine Man Technologies, Inc.

By: /s/ Nancy Huber
Name: Nancy Huber
Title: Chief Financial Officer

Exhibit 10.4

LOAN AGREEMENT

by and among

MESA ORGANICS LTD., **MESA ORGANICS II LTD.**, **MESA ORGANICS III LTD.**, **MESA ORGANICS IV LTD.**, **SCG HOLDING, LLC**, **AND PBS HOLDCO LLC**, **and the Borrowers from time to time hereto**
(as Borrowers)

and
SHWZ ALTMORE, LLC,
(as Lender)

and

GGG PARTNERS LLC,
(as Collateral Agent)

dated as of

February 26, 2021

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EXHIBITS AND SCHEDULES

EXHIBITS:

SCHEDULES:

LOAN AGREEMENT

THIS LOAN AGREEMENT (this "***Agreement***"), dated as of February 26, 2021, is entered into by and among Mesa Organics Ltd., a Colorado limited liability company ("***Purplebee's***"), Mesa Organics II Ltd., a Colorado limited liability company, Mesa Organics III Ltd., a Colorado limited liability company, Mesa Organics IV Ltd., a Colorado limited liability company, SCG Holding, LLC, a Colorado limited liability company, and PBS HoldCo LLC, a Colorado limited liability company (together with each Person that joins this Agreement as a borrower, each a "***Borrower***" and collectively, the "***Borrowers***"), SHWZ Altmore, LLC, a Delaware limited liability company (the "***Lender***"), and GGG Partners, LLC, a Georgia limited liability company (the "***Collateral Agent***").

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 Borrowers, Lender, and Collateral Agent hereto agree as follows:

ARTICLE I
DEFINITIONS AND INTERPRETATION

Section 1.01 **Definitions**. As used in this Agreement, the following terms shall have the meanings set forth below:

"***Adjusted Consolidated EBITDA***" means, for any Reference Period, with respect to the Guarantor on a consolidated basis and without duplication, Consolidated EBITDA *less* the total amount of (a) Taxes paid in cash for such period, and (b) Maintenance Capital Expenditures for such period, and (c) rent payable under leases of real and personal property (whether a capital lease or any other leases) for such period, and (d) all license fees paid or payable to any Governmental Authority for such period.

"***Administrative Borrower***" has the meaning set forth in Section 3.02.

"***Affiliate***" as to any Person, means any other Person that, directly or indirectly through one or more intermediaries, is in control of, 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 10% or more of the securities having ordinary voting power for the election of directors (or persons performing similar functions) of such Person or (b) direct or cause the direction of the management and policies of such Person, whether by contract or otherwise.

"***Anti-Corruption Laws***" means all Legal Requirements concerning or relating to (a) bribery or corruption, including, without limitation, the United States Foreign Corrupt Practices Act of 1977, as amended, and the anti-bribery and anti-corruption laws and regulations of those jurisdictions in which any Borrower does business; and (b) terrorism or money laundering, including, without limitation, the Money Laundering Control Act of 1986 (18 U.S.C. §§ 1956-1957), 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, regulations, and guidance issued by any Governmental Authority thereunder, and any law prohibiting or directed against the financing or support of terrorist activities (*e.g.*, 18 U.S.C. §§ 2339A and 2339B), which for the avoidance of doubt in each case shall exclude the Federal Cannabis Laws.

"***Applicable Rate***" means a simple rate per annum equal to fifteen percent (15%).

"***Asset Sale***" means any Disposition of Property or series of related Dispositions of Property (excluding any such Disposition permitted by Section 7.05) that yields gross proceeds to any Borrower (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) in excess of $500,000.

"***Bankruptcy Code***" means Title 11 of the United States Code, as amended from time to time, or any similar federal law for the relief of debtors.

"***Blocked Person***" means any Person that (a) is publicly identified on the most current list of "***Specially Designated Nationals and Blocked Persons***" published by the Office of Foreign Assets Control of the US Department of the Treasury ("***OFAC***") or resides, is organized or chartered, or has a place of business in a country or territory subject to OFAC sanctions or embargo programs or (b) is publicly identified as prohibited from doing business with the United States under the International Emergency Economic Powers Act, the Trading With the Enemy Act, or any other Legal Requirement.

"***Business Day***" means a day other than a Saturday, Sunday, or other day on which commercial banks in New York City are authorized or required by law to close.

"***Capital Expenditures***" with respect to any Person, means the aggregate of all expenditures by such Person for the acquisition or leasing (pursuant to a capital lease) of fixed or capital assets, software, or additions to equipment (including replacements, capitalized repairs, and improvements) which are required to be capitalized under GAAP on the balance sheet of such Person.

"***Capital Lease Obligations***" with respect to any Person, means the obligations of such Person to pay rent or other amounts under any lease of (or other arrangement conveying the right to use) real or personal property, or a combination thereof, which obligations are required to be classified and accounted for as capital leases under GAAP on the balance sheet of such Person and the amount of such obligations shall be the capitalized amount thereof determined in accordance with GAAP.

"***Cash Equivalents***" as to any Person, means (a) securities issued or directly and fully guaranteed or insured by the United States or any agency or instrumentality thereof (provided that the full faith and credit of the United States is pledged in support thereof) having maturities of not more than one year from the date of acquisition by such Person, (b) time deposits and certificates of deposit of any commercial bank having, or which is the principal banking subsidiary of a bank holding company organized under the laws of the United States, any State thereof or the District of Columbia having capital, surplus, and undivided profits aggregating in excess of $500,000,000, having maturities of not more than one year from the date of acquisition by such Person, (c) repurchase obligations with a term of not more than 90 days for underlying securities of the types described in clause (a) above entered into with any bank meeting the qualifications specified in clause (b) above, (d) commercial paper issued by any issuer rated at least A-1 by Standard & Poor's Ratings Services, and any successor thereto or at least P-1 by Moody's Investors Service, Inc., and any successor thereto (or carrying an equivalent rating by a nationally recognized rating agency if both of the two named rating agencies cease publishing ratings of commercial paper issuers generally), and in each case maturing not more than one year after the date of acquisition by such Person, or (e) investments in money market funds substantially all of whose assets are comprised of securities of the types described in clauses (a) through (d) above.

"***Change in Law***" means the occurrence after the date of this Agreement of (a) the adoption or effectiveness 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 by any Governmental Authority of any law, rule, regulation, or treaty, or (c) the making or issuance by any Governmental Authority of any request, rule, guideline, or directive, whether or not having the force of law; provided that, notwithstanding anything herein to the contrary (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, as amended, and all requests, rules, guidelines, or directives thereunder or issued in connection therewith and (y) 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 (a) the acquisition, directly or indirectly, by any Person or group (within the meaning of Section 13(d)(3) of the Securities Exchange Act of 1934, as amended) of beneficial ownership of more than 50% of the aggregate outstanding voting power of the Equity Interests of a Person entitled to vote for members of the board of directors of such Person (or similar governing body) on a fully-diluted basis or economic power of the Equity Interests of such Person; (b) during any period of two consecutive years, individuals who at the beginning of such period constituted the board of directors of such Person (or similar governing body) (together with any new directors whose election by such Board of Directors or whose nomination for election by the shareholders of such Person was approved by a vote of at least a majority of the directors (or similar) of such Person then still in office who were either directors at the beginning of such period, or whose election or nomination for election was previously approved) cease for any reason to constitute a majority of the board of directors of such Person (or similar governing body); or (c) any Borrower shall cease to have beneficial ownership (as defined in Rule 13d-3 under the Securities Exchange Act of 1934, as amended) of the percentage of the Equity Interests held by such Borrower in any of its Subsidiaries that is equal to or greater than the percentage of the Equity Interests held by such Borrower in such Subsidiaries on the Closing Date (other than in connection with any Permitted Acquisition, free and clear of all Liens.

"***Closing Date***" means the date on which the conditions precedent set forth in Section 4.01 are satisfied or waived.

"***Code***" means the Internal Revenue Code of 1986, as amended.

"***Collateral***" has the meaning for such term set forth in the Security Agreement.

"***Collateral Access Agreement***" has the meaning set forth in Section 4.01(a)(iii).

"***Collateral Agent***" has the meaning set forth in the preamble, together with any successor appointed in accordance with this Agreement.

"***Collateral Agent Advances***" has the meaning set forth in 2.09(b).

"***Consolidated EBITDA***" means, for any Reference Period, with respect to the Guarantor on a consolidated basis and without duplication, Consolidated Net Income for such Reference Period plus, without duplication and only to the extent deducted in calculating Consolidated Net Income for such period, the sum of (a) all interest expense (as expressed in clause (a) of the definition of Consolidated Debt Expense) for such period, (b) the sum of federal, state, local, and foreign income Taxes recognized as an expense in accordance with GAAP during such period, (c) the amount of depreciation and amortization recognized as an expense in accordance with GAAP during such period, (d) any extraordinary, unusual, or non-recurring expenses, losses or charges (including but not limited to non-recurring administrative costs or expenses incurred in obtaining a license and/or opening of any new cultivation, processing or dispensary facility, including lobbying expenses, pre-opening and opening costs and signing, retention and completion bonuses) recognized as an expense in accordance with GAAP during such period, (e) any costs or expenses relating to any acquisitions, whether by a Loan Party or a Loan Party's Affiliate, including any break-up fees to the extent any such acquisition is not consummated, dispositions including legal, accounting, advisory or other transaction-related fees, signing, retention and completion or success bonuses recognized as an expense in accordance with GAAP during such period, and (f) any costs or expenses relating to non-recurring litigation and regulatory matters including investigations by Governmental Authorities recognized as an expense in accordance with GAAP during such period.

"***Consolidated Fixed Charge Coverage Ratio***" means, for the applicable Reference Period, the *quotient* of (a) Adjusted Consolidated EBITDA *divided* by (b) Consolidated Fixed Charges.

"***Consolidated Fixed Charges***" means, for any Reference Period, with respect to the Guarantor on a consolidated basis and without duplication, the *sum of* (a) rent payable under leases of real and personal property (whether a capital lease or any other leases) for such period, *plus* (b) all license fees paid or payable to any Governmental Authority for such period, *plus* (c) Consolidated Debt Expense for such period.

"***Consolidated Debt Expense***" means, for any Reference Period, with respect to the Guarantor on a consolidated basis and without duplication, the *sum of* (a) total consolidated interest expense (including that portion attributable to capital leases in accordance with GAAP and capitalized interest, premium payments, debt discount, fees, charges, and related expenses with respect to all outstanding Debt of the Guarantor on a consolidated basis, in each case to the extent recognized as an expense in accordance with GAAP during such period), *plus* (b) scheduled amortization payments or redemptions on Debt of the Guarantor on a consolidated basis for such period.

"***Consolidated Net Income***" means, for any Reference Period, the consolidated net income (or loss) of the Guarantor, determined on a consolidated basis in accordance with GAAP, and all calculations and deliverables under this Agreement or any other Loan Document shall be made or delivered, as applicable, in accordance therewith.

"***Contractual Obligation***" of any Person, means any provision of any security issued by such Person or of any agreement, instrument, or other undertaking to which such Person is a party or by which it or any of its property is bound, other than the Obligations.

"***Debt***" of any Person at any date, without duplication, means (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 (i) trade payables and accrued expenses incurred in the ordinary course of business and (ii) 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 notes, bonds, debentures, or other similar instruments, (d) all indebtedness created or arising under any conditional sale or other title retention agreement with respect to property acquired by such Person (even though the rights and remedies of the seller or lender under such agreement in the event of default are limited to repossession or sale of such property), (e) all obligations of such Person to purchase, redeem, retire, defease, or otherwise make any payment in respect of any Equity Interests in such Person or any other Person or any warrants, rights, or options to acquire such Equity Interests, valued, in the case of redeemable preferred interests, at the greater of its voluntary or involuntary liquidation preference plus accrued and unpaid dividends, (f) all obligations of such Person, contingent or otherwise, as an account party or applicant under acceptance, letter of credit, or similar facilities in respect of obligations of the kind referred to in subsections (a) through (e) of this definition, (g) all Guaranty Obligations of such Person in respect of obligations of the kind referred to in subsections (a) through (f) above, (h) all obligations of the kind referred to in subsections (a) through (g) above secured by (or 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 such Person, whether or not such Person has assumed or become liable for the payment of such obligation, and (i) all debt of any partnership, unlimited liability company, or unincorporated joint venture in which such Person is a general partner, member, or a joint venturer, respectively (unless such Debt is expressly made non-recourse to such Person).

"***Debtor Relief Law***" means the Bankruptcy Code and all other liquidation, bankruptcy, assignment for the benefit of creditors, conservatorship, moratorium, receivership, insolvency, rearrangement, reorganization, or similar debtor relief laws of the US or other applicable jurisdictions in effect from time to time.

"***Default***" means any of the events specified in Section 8.01 which constitutes an Event of Default or which, upon the giving of notice, the lapse of time, or both pursuant to Section 8.01 would, unless cured or waived, become an Event of Default.

"***Default Rate***" means a rate of simple interest per annum equal to the Applicable Rate plus four percent (4%).

"***Delayed Draw Availability Period***" means the period commencing on three (3) Business Days after the Closing Date and ending at 2:00 pm New York City time on the 120-day anniversary of the Closing Date.

"***Delayed Draw Closing Date***" means the first date all the conditions precedent in Section 4.02 are satisfied or waived, which date shall occur during the Delayed Draw Availability Period.

"***Delayed Draw Termination Date***" means the earliest to occur of (i) 2:00 pm New York City time on the 120-day anniversary of the Closing Date, and (ii) the Delayed Draw Closing Date.

"***Deposit Account***" has the meaning set forth in the Security Agreement.

"***Disclosed Litigation***" has the meaning set forth in Section 5.06.

"***Disposition***" or "***Dispose***" means the sale, transfer, license, lease, or other disposition (whether in one transaction or in a series of transactions, and including any sale and leaseback transaction) of any property (including, without limitation, any Equity Interests) by any Person (or the granting of any option or other right to do any of the foregoing), including any sale, assignment, transfer, or other disposal, with or without recourse, of any notes or accounts receivable or any rights and claims associated therewith.

"***Dollars***" means the lawful currency of the United States.

"***Eligible Assignee***" has the meaning set forth in Section 9.04.

"***Employee Plan***" at any one time, means any "***employee benefit plan***" that is covered by ERISA and in respect of which any Loan Party or an ERISA Affiliate is (or, if such plan were terminated at such time, would under §4062 or §4069 of ERISA be deemed to be) an "***employer***" as defined in §3(5) of ERISA.

"***Environmental Action***" means any action, suit, demand, demand letter, claim, notice of violation or non-compliance, notice of liability or potential liability, investigation, proceeding, consent order, or consent agreement relating in any way to any Environmental Law, any permit issued under any Environmental Law, or any Hazardous Material, or arising from alleged injury or threat to health, safety, or the environment including (a) by any Governmental Authority for enforcement, clean-up, removal, response, remedial or other actions, or damages and (b) any Governmental Authority or third party for damages, contribution, indemnification, cost recovery, compensation, or injunctive relief.

"***Environmental Law***" means any and all Federal, state, foreign, local, or municipal laws, rules, orders, regulations, statutes, ordinances, codes, decrees, requirements of any Governmental Authority, or other Requirements of Law (including common law) as now or may at any time hereafter be in effect, and any binding judicial or administrative interpretation thereof, including any binding judicial or administrative order, consent decree, or judgment, regulating, relating to, or imposing liability or standards of conduct concerning protection of the environment or, to the extent relating to exposure to substances that are harmful or detrimental to the environment, or human health, or safety.

"***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 (or profit) interests in a Person (other than a corporation), securities convertible into or exchangeable for shares of capital stock of (or other ownership or profit interests in) such Person, and any and all warrants, rights, or options to purchase any of the foregoing, whether voting or nonvoting, and whether or not such shares, warrants, options, rights, or other interests are authorized or otherwise existing on any date of determination.

"***ERISA***" means the Employee Retirement Income Security Act of 1974, as amended from time to time.

"***ERISA Affiliate***" means an entity, whether or not incorporated, that is under common control with any Borrower within the meaning of §4001 of ERISA or is part of a group that includes any Borrower and that is treated as a single employer under §414 of the Code.

"***Event of Default***" has the meaning set forth in Section 8.01.

"***Excluded Damages***" means any special, indirect, consequential, or punitive damages (including, without limitation, any loss of profits or anticipated savings).

"***Excluded Taxes***" means any of the following Taxes, imposed on or with respect to the Lender (a) Taxes imposed on or measured by net income (however denominated) and franchise Taxes and (b) any branch profits Taxes imposed by the United States or any similar Tax imposed by any other jurisdiction.

"***Federal Cannabis Laws***" means any U.S. federal laws, civil, criminal or otherwise, as such relate, either directly or indirectly, to the cultivation, harvesting, production, distribution, sale and possession of Marijuana (as defined in 21 U.S.C. § 802(16), as amended), Hemp (as defined by 7 U.S.C. § 1639o(1), as amended), or the plant *Cannabis sativa L*., including both the Hemp and Marijuana strains of the plant (collectively, "***Cannabis***") or related substances or products containing or relating to the same, including, without limitation, the prohibition on drug trafficking under 21 U.S.C. § 841(a), et seq., the conspiracy statute under 18 U.S.C. § 846, the bar against aiding and abetting the conduct of an offense under 18 U.S.C. § 2, the bar against misprision of a felony (concealing another's felonious conduct) under 18 U.S.C. § 4, the bar against being an accessory after the fact to criminal conduct under 18 U.S.C. § 3, and federal money laundering statutes under 18 U.S.C. §§ 1956, 1957, and 1960 and the regulations and rules promulgated under any of the foregoing.

"***Fee Letters***" means (a) the fee letter, dated as of February 26, 2021, between the Administrative Borrower and the Lender, and (b) the fee letter, dated as of February 26, 2021, between the Borrowers and the Collateral Agent.

"***Foreign Subsidiary***" means any Subsidiary of any Borrower that is not a Subsidiary that is organized and existing under the laws of the United States or any state or commonwealth thereof or under the laws of the District of Columbia.

"***GAAP***" means generally accepted accounting principles in the United States set forth in the opinions and pronouncements of the Accounting Principles Board and the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or such other principles as may be approved by a significant segment of the accounting profession in the United States, that are applicable to the circumstances as of the date of determination, consistently applied.

"***Governmental Authority***" means the government of any nation or any political subdivision thereof, whether at the national, state, territorial, provincial, municipal, or any other level, and any agency, authority, instrumentality, regulatory body, court, central bank, or other entity exercising executive, legislative, judicial, taxing, regulatory, or administrative powers or functions of, or pertaining to, government.

"***Guarantor***" means Medicine Man Technologies, Inc., a Nevada corporation.

"***Guaranty***" means the Guaranty of the Obligations made by the Guarantor in favor of the Lender, dated as of the date hereof, in form and substance acceptable to the Lender, as the same may be amended, amended and restated, supplemented, or otherwise modified from time to time to the extent permitted under the Loan Documents.

"***Guaranty Obligation***" as to any Person, means any obligation, contingent or otherwise, of such Person guaranteeing or having the effect of guaranteeing any Debt of another Person.

"***Hazardous Materials***" means (a) any gasoline, petroleum or petroleum products or by-products, radioactive materials, friable asbestos or asbestos-containing materials, urea-formaldehyde insulation, polychlorinated biphenyls, and radon gas and (b) any other chemicals, materials, or substances designated, classified, or regulated as hazardous or toxic or as a pollutant or contaminant under any Environmental Law.

"***Indemnified Taxes***" means (a) Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by any Loan Party under any Loan Document and (b) to the extent not otherwise described in (a), Other Taxes.

"***Initial Period***" means that period beginning on the Closing Date and ending on the two-year anniversary of the Closing Date.

"***Insolvency***" with respect to any Multiemployer Plan, means such Employee Plan is insolvent within the meaning of §4245 of ERISA.

"***Intercompany Subordination Agreement***" means an Intercompany Subordination Agreement made by the Borrowers in favor of the Collateral Agent for the benefit of the Collateral Agent and the Lender, in form and substance reasonably satisfactory to the Collateral Agent.

"***Interest Payment Date***" means the first Business Day of each March, June, September, and December occurring to occur while the Loan is outstanding and the Maturity Date of such Loan.

"***Joinder Agreement***" means a Joinder Agreement, substantially in the form of Exhibit A, duly executed by a Borrower made a party hereto.

"***Lien***" means any mortgage, pledge, hypothecation, assignment (as security), deposit arrangement, encumbrance, lien (statutory or other), charge, or other security interest, or any preference, priority, or other security agreement or preferential arrangement of any kind or nature whatsoever having substantially the same economic effect as any of the foregoing (including any conditional sale or other title retention agreement and any capital lease).

"***Legal Requirement***" as to any Person, means any law (including common law), statute, ordinance, treaty, rule, regulation, order, decree, judgment, writ, injunction, settlement agreement, requirement or determination of an arbitrator or a court or other Governmental Authority, in each case applicable to or binding upon such Person or any of its property or to which such Person or any of its property is subject; provided that the Federal Cannabis Laws are excluded.

"***Lender Note***" means a promissory note of the Borrowers payable to the Lender, in substantially the form of Exhibit C hereto, evidencing the aggregate indebtedness of the Borrowers to the Lender resulting from the Loan, as the same may be amended, amended and restated, supplemented, or otherwise modified from time to time to the extent permitted under the Loan Documents.

"***Loan***" means each loan made by the Lender to the Borrowers pursuant to Section 2.01.

"***Loan Documents***" means, collectively, this Agreement, the Security Documents, the Guaranty, the Lender Note, and all other agreements, documents, certificates, and instruments executed and delivered to the Lender by any Loan Party in connection therewith.

"***Loan Party***" shall mean, individually, each Borrower and Guarantor, and "***Loan Parties***" shall mean, collectively, Borrowers and Guarantor.

"***Maintenance Capital Expenditures***" means, with respect to any Person, the aggregate of all expenditures by such Person for the acquisition of fixed or capital assets, software or additions to equipment (including replacements, capitalized repairs and improvements) to maintain the Person's existing assets that are required to be capitalized under GAAP on the balance sheet of such Person.

"***Material Adverse Effect***" means a material adverse effect on (a) the business, assets, properties, liabilities (actual or contingent), operations, or condition (financial or otherwise) of the Borrowers and their Subsidiaries taken as a whole, (b) the validity or enforceability of any Loan Document, (c) the perfection or priority of any material Lien purported to be created by any Loan Document, or (d) the ability of the Loan Parties taken as a whole to perform any of their material obligations under any Loan Document.

"***Material Contracts***" means with respect to any Person, any contract or agreement to which party involving aggregate consideration payable by or to such Person equal to at least $1,000,000 annually or otherwise material to the business, condition (financial or otherwise), operations, performance, properties, or prospects of such Person.

"***Maturity Date***" means the forty-eight (48) month anniversary of the Closing Date.

"***Mesa Organics Borrowers***" means collectively, Purplebee's, Mesa Organics II Ltd., a Colorado limited liability company, Mesa Organics III Ltd., a Colorado limited liability company, and Mesa Organics IV Ltd., a Colorado limited liability company.

"***Mesa Organics Collateral***" means the Collateral pledged by the Mesa Organics Borrowers pursuant to the terms of the Security Agreement.

"***Multiemployer Plan***" means an Employee Plan which is a multiemployer plan as defined in § 4001(a)(3) of ERISA to which any Borrower or any ERISA Affiliate makes or is obligated to make contributions.

"***Net Cash Proceeds***" means (a) in connection with any Asset Sale or any Recovery Event, the proceeds thereof in the form of cash and Cash Equivalents (including any such proceeds actually received from deferred payments of principal pursuant to a note, a receivable, or otherwise), net of attorneys' fees, accountants' fees, closing or change of control bonuses, investment banking fees, amounts required to be reserved for indemnification, adjustment of purchase price, or similar obligations pursuant to the agreements governing such Asset Sale, amounts required to be applied to the repayment of Debt secured by a Lien expressly permitted hereunder on any asset that is the subject of such Asset Sale or Recovery Event (other than any Lien pursuant to a Loan Document) and other customary fees and expenses actually incurred in connection therewith and net of taxes paid or reasonably estimated to be payable as a result thereof (after taking into account any readily available tax credits or deductions and any tax sharing arrangements) and (b) in connection with any issuance or sale of Equity Interests or any incurrence of Debt, the cash proceeds received from such issuance or incurrence, net of attorneys' fees, investment banking fees, accountants' fees, underwriting discounts and commissions, and other customary fees and expenses actually incurred in connection therewith.

"***Obligations***" means all advances to, and debts (including principal, interest, fees, costs, and expenses), liabilities, covenants, and indemnities of, any Loan Party arising under any Loan Document or otherwise with respect to any Loan, whether direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising.

"***Organizational Documents***" means with respect to any Borrower its articles of incorporation, certificate of designation, operating agreement, bylaws, or other organizational document.

"***Other Taxes***" means any and all present or future stamp, court, recording, filing, intangible, documentary, or similar Taxes or any other excise or property Taxes, charges, or similar levies arising from any payment made hereunder or under any other Loan Document or from the execution, delivery, or enforcement or registration of, or performance under, or from the receipt or perfection of a security interest under or otherwise with respect to this Agreement or any other Loan Document (other than Excluded Taxes imposed with respect to an assignment).

"***Participant***" has the meaning set forth in Section 9.03(c).

"***Participant Register***" has the meaning set forth in Section 9.03(c).

"***Payment Office***" means the office or offices of the Lender that the Lender may from time to time notify to the Collateral Agent and the Administrative Borrower.

"***PBGC***" means the Pension Benefit Guaranty Corporation established pursuant to Subtitle A of Title IV of ERISA (or any successor thereto).

"***Permitted Acquisitions***" means the purchase or acquisition (whether in one or a series of related transactions) by any Person of (a) Equity Interests collectively holding more than 50% of the ordinary voting power of another Person or (b) all or substantially all of the property (other than Equity Interests) of another Person or a division or line of business or business unit of another Person, whether or not involving a merger or consolidation with such Person; provided that (i) at the time thereof and after giving effect thereto, no Default or Event of Default shall have occurred and be continuing or would result from such acquisition or purchase, (ii) the aggregate amount of the consideration (or, in the case of consideration consisting of assets, the fair market value of the assets) paid by the applicable Loan Parties shall not exceed $2,500,000 on a cumulative basis for all such acquisitions or purchases subsequent to the date hereof, and (iii) not less than three Business Days prior to the consummation of such proposed acquisition, the Administrative Borrower shall deliver to the Lender, a certificate of a Responsible Officer of the Administrative Borrower setting forth in reasonable detail calculations demonstrating compliance with the condition set forth in clause (ii) above.

"***Person***" means any individual, corporation, limited liability company, trust, joint venture, association, company, limited or general partnership, unincorporated organization, Governmental Authority, or other entity.

"***Postpetition Interest***" has the meaning given such term in the Security Agreement.

"***Prepayment Fee***" means an amount equal to the sum of (a) all accrued and unpaid interest on the principal amount of the Loan plus (b) the sum of all future quarterly payments of interest which would have been due with respect to the principal amount of the Loan being prepaid assuming (i) an interest rate per annum equal to the Applicable Rate (or, if applicable, the Default Rate) and (ii) that the maturity date for the principal amount of the Loan being prepaid was the last day of the Initial Period and not the Maturity Date.

"***Pro Forma Balance Sheet***" means the unaudited pro forma consolidated balance sheet of the Borrowers dated as of January 31, 2021 and as of the last day of the most recent fiscal quarter ending prior to the Closing Date, adjusted to give effect to the consummation of the SCG Acquisition as if the SCG Acquisition had occurred on the last day of the most recent fiscal quarter ending prior to the Closing Date. The Pro Forma Balance Sheet has been prepared in good faith by the Administrative Borrower (i) based on the assumptions stated therein (which assumptions are believed by the Borrower on the Closing Date to be reasonable at the time delivered), and on the information reasonably available to the Borrowers as of the date of delivery thereof and (ii) presents fairly in all material respects the pro forma consolidated financial position of the Borrowers as of such date, assuming that the SCG Acquisition had occurred on such date.

"***Projections***" has the meaning set forth in Section 6.02.

"***Purplebee's Assets***" means the assets owned and used by Purplebee's in connection with the operation of Purplebee's cannabis extraction business.

"***Purplebee's Disposition***" means, (i) the transfer of the Purplebee's Assets pursuant to the terms of the Purplebee's Disposition Documentation, (ii) the release of the Mesa Organic Borrowers as Loan Parties, and (iii) the release of the Mesa Organics Collateral as Collateral for the repayment of the Obligations.

"Purplebee's Disposition Documentation" means the document or documents that evidence the transfer, whether by sale, contribution, or otherwise, of the Purplebee's Assets by Purplebee's to Purplebee's Holdco.

"***Purplebee's Holdco"*** means an entity to be formed as an Affiliate of the Borrowers for the purpose of acquiring the Purplebee's Assets upon the closing of the Purplebee's Disposition.

"***Recovery Event***" means any settlement of or payment to any Loan Party in respect of any property or casualty insurance claim or any condemnation proceeding relating to any asset of any Loan Party.

"***Required License***" means all Cannabis-related licenses, permits, or registrations required under the applicable Legal Requirements currently in effect necessary for the business of any Borrower.

"***Reference Period***" means any date of determination (beginning fiscal quarter ending March 31, 2022), the most recently completed four consecutive calendar quarters on or immediately prior to such date.

"***Reinvestment Notice***" means a written notice executed by a Responsible Officer of the Borrower stating that no Event of Default has occurred and is continuing and that the Borrower (directly or indirectly through a Subsidiary) intends and expects to use all or a specified portion of the Net Cash Proceeds of an Asset Sale or Recovery Event to acquire or repair assets necessary, used, or useful in any Borrower's business.

"***Related Parties***" with respect to any Person, means such Person's Affiliates and the directors, officers, employees, partners, agents, trustees, administrators, managers, advisors, and representatives of it and its Affiliates.

"***Reorganization***" with respect to any Multiemployer Plan, means that such plan is in reorganization within the meaning of §4241 of ERISA.

"***Reportable Event***" means any of the events set forth in §4043(c) of ERISA, other than those events as to which the thirty-day notice period is waived.

"***Responsible Officer***" with respect to any Person, means the chief executive officer, president, vice president, treasurer, secretary, chief operating officer, chief financial officer or such other similar officer of such Loan Party.

"***Restricted Payments***" has the meaning set forth in Section 7.07.

"***SCG Acquisition***" means the acquisition of substantially all of the assets of SCG Services.

"***SCG Acquisition Documents***" means the Asset Purchase Agreement by and between SCG Services and SCG Holding, LLC (as amended, supplemented, or otherwise modified from time to time) relating to the SCG Acquisition, together with all other documents, agreements, certificates and other instruments delivered by any party in connection with the foregoing, together with all exhibits and schedules thereto.

"***SCG Services***" means SCG Services, LLC, a Colorado limited liability company.

"***SEC***" means the Securities and Exchange Commission (or successors thereto or an analogous Governmental Authority).

"***Secured Obligations***" has the meaning set forth in the Security Agreement.

"***Security Agreement***" means the Security Agreement made by the Borrowers in favor of the Collateral Agent for the benefit of the Lender, dated as of the date hereof, as the same may be amended, amended and restated, supplemented, or otherwise modified from time to time to the extent permitted under the Loan Documents.

"***Security Agreement Schedules***" means the schedules to the Security Agreement.

"***Security Documents***" means, collectively, the Security Agreement, and each other security agreement or other instrument or document executed and delivered by any Loan Party to the Collateral Agent pursuant to this Agreement or any other Loan Document granting a Lien to secure any of the Obligations.

"***Single Employer Plan***" means any Employee Plan that is covered by Title IV of ERISA, other than a Multiemployer Plan.

"***Solvent***" with respect to any Person as of any date of determination, means that on such date (a) the fair value of the property and assets of such Person exceeds the debts and liabilities, including contingent liabilities, of such Person, (b) the present fair salable value of the property and assets of such Person is greater than the amount that will be required to pay the probable liability of such Person on its existing debts and other liabilities, including contingent liabilities, as such debts and other liabilities become absolute and matured, (c) such Person does not intend to incur, or reasonably believe that it will incur, debts and liabilities, including contingent liabilities, beyond its ability to pay such debts and liabilities as they become absolute and matured, and (d) such Person does not have unreasonably small capital with which to conduct the business in which it is engaged as such business is now conducted and is proposed to be conducted. The amount of contingent liabilities at any time shall be computed as the amount that, in the light of all the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability.

"***Star Buds Acquisition Amount***" means (a) with respect to SB Arapahoe LLC, $4,190,229.25, (b) with respect to KEW LLC, $2,035,157.07, (c) with respect to SB Louisville LLC, $1,607,957.97, (d) with respect to Starbuds Aurora LLC, $1,035,634.02, and (e) with respect to Citi-Med LLC $1,131,021.39.

"***Star Buds Dispensaries***" means each of (a) SB Arapahoe LLC, (b) KEW LLC, (c) SB Louisville LLC, (d) Starbuds Aurora LLC, and (e) Citi-Med LLC.

"***Subsidiary***" means with respect to any Borrower, any corporation, partnership, limited liability company, joint venture, trust or estate, or other Person of or in which (a) more than 50% of (i) the issued and outstanding capital stock having ordinary voting power to elect a majority of the board of directors of such corporation (irrespective of whether at the time capital stock of any other class of such corporation may have voting power upon the happening of a contingency), (ii) the interest in the capital or profits of such partnership, limited liability company, or joint venture, (iii) the beneficial interest in such trust or estate, or (iv) the issued and outstanding Equity Interests of any other Person, is in each case at the time directly or indirectly owned or controlled through one or more intermediaries, or both, by such Borrower; or (b) such Borrower has the ability to direct or cause the direction of the management and policies of such Person, whether by contract or otherwise.

"***Taxes***" means any and all present or future income, stamp, or other taxes, levies, imposts, duties, deductions, charges, fees, or withholdings imposed, levied, withheld, or assessed by any Governmental Authority, together with any interest, additions to tax, or penalties imposed thereon and with respect thereto.

"***Uniform Commercial Code***" means the Uniform Commercial Code as in effect in the state of Delaware from time to time.

Section 1.02 **Interpretation**. With reference to this Agreement and each other Loan Document, unless otherwise specified herein or in such other Loan Document:

(a) 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 (i) any definition of or reference to any agreement, instrument, or other document 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 or in any other Loan Document), (ii) any reference herein to any Person shall be construed to include such Person's successors and assigns, (iii) the words "***herein,***" "***hereof,***" and "***hereunder,***" and words of similar import when used in any Loan Document, shall be construed to refer to such Loan Document in its entirety and not to any particular provision thereof, (iv) all references in a Loan Document to Articles, Sections, Exhibits, and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, the Loan Document in which such references appear, (v) any reference to any law shall include all statutory and regulatory provisions consolidating, amending, replacing, or interpreting such law and any reference to any law or regulation shall, unless otherwise specified, refer to such law or regulation as amended, modified, or supplemented from time to time, and (vi) the words "asset" and "property" shall be construed to have 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.

(b) In the computation of periods of time from a specified date to a later specified date, the word "***from***" means "***from and including;***" the words "***to***" and "***until***" each mean "***to but excluding;***" and the word "***through***" means "***to and including.***"

(c) Any reference herein or in any other Loan Document to the satisfaction, repayment, or payment in full of the Obligations shall mean the repayment in Dollars in full in cash or immediately available funds (and in the case of any asserted contingent Obligations, providing cash collateral or other collateral as may be requested by the Lender) of all of the Obligations other than unasserted contingent indemnification Obligations.

(d) All accounting terms not specifically or completely defined herein shall be construed in conformity with, and all financial data required to be submitted pursuant to this Agreement shall be prepared in conformity with, GAAP as in effect from time to time, and applied on a consistent basis in a manner consistent with that used in preparing any audited financial statements of the Borrowers, except as otherwise specifically prescribed herein.

(e) 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): (i) 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 (ii) if any new Person comes into existence, such new Person shall be deemed to have been organized and acquired on the first date of its existence by the holders of its equity interests at such time.

ARTICLE II
THE LOANS

Section 2.01 The Loans.

(a) Subject to the terms and conditions of this Agreement, the Lender agrees to make a term loan to the Borrowers on the Closing Date in an aggregate amount of Ten Million Dollars ($10,000,000) (the "***Closing Date Term Loan***") in immediately available funds by wire transfer.

(b) Subject to the terms and conditions of this Agreement, at any time during the Delayed Availability Period, the Lender agrees to make a term loan to the Borrowers on the Delayed Draw Closing Date in an aggregate amount of Five Million Dollars ($5,000,000) (the "***Delayed Draw Term Loan***") in immediately available funds by wire transfer. Unless the Lender agrees to extend the Delayed Draw Closing Date, the Lender's obligation to make the Delayed Draw Term Loan shall automatically and permanently expire on the Delayed Draw Termination Date.

(c) Amounts borrowed under this Section 2.01 may not be reborrowed.

Section 2.02 Making the Loans.

(a) Lender shall disburse the proceeds of the Closing Date Term Loan to a Deposit Account specified by the Administrative Borrower in writing prior to the Closing Date.

(b) Lender shall disburse the proceeds of the Delayed Draw Term Loan to a Deposit Account specified by the Administrative Borrower in writing prior to the Delayed Draw Closing Date.

Section 2.03 Repayment of the Loan.

(a) **Interest Payments**. Accrued interest on the Loan at the Applicable Rate shall be paid by Borrowers quarterly, in arrears, on each Interest Payment Date, commencing on the first Business Day of the first full month following the calendar quarter in which such Loan is made and at maturity (whether upon demand, by acceleration or otherwise).

(b) **Principal Payments.** Commencing with the ninth (9th) Interest Payment Date, the Borrowers shall repay the aggregate outstanding principal amount of the Loan in consecutive quarterly installments on each Interest Payment Date (including, for the avoidance of doubt, the ninth (9th) Interest Payment Date) in an amount equal to five percent (5%) of the original principal amount of the Loans made on the Closing Date, plus all Loans made on the Delayed Draw Closing Date.

(c) **Maturity Date**. If not sooner paid, the outstanding principal of the Loan shall be due and payable on the Maturity Date or, if earlier, on the date on which the Loan and other Obligations are declared due and payable pursuant to the terms of this Agreement.

(d) **Borrowers' Account.**

(i) **Lender** shall maintain, in accordance with its customary procedures, a loan account (the "***Borrowers' Account***") in the name of the Borrowers in which shall be recorded the date and amount of each Loan made by the Lender and the date and amount of each payment in respect thereof; provided, however, that, the failure by the Lender to record the date or amount of any Loan or any other item shall not adversely affect the Lender under this Agreement or any Loan Document or diminish any obligation of any Loan Party under this Agreement or any Loan Document. Each month, the Lender shall send to the Administrative Borrower a statement showing the accounting for the Loans made, payments made or credited in respect thereof, and certain other transactions between the Lender and Borrowers, during such month. The monthly statements shall be deemed correct and binding upon Borrowers in the absence of manifest error and shall constitute an account stated between Lender and Borrowers unless the Lender receives a written statement of the Administrative Borrower's specific exceptions thereto within thirty (30) days after such statement is received by Administrative Borrower. The records of the Lender with respect to each Borrowers' Account shall be conclusive evidence absent manifest error of the amounts of Loans and other charges thereto and of payments applicable thereto.

(ii) In consideration of Lender's consideration to conditionally credit Borrowers' Account as of the Business Day on which the Lender receives those items of payment, Borrowers agree that, in computing the charges under the Loan Documents, all items of payment shall be deemed applied by the Lender on account of the applicable Obligations on the date of confirmation to the Lender, that such items of payment have been collected in good funds and finally credited to the Lender's account; provided however, that the Lender is not required to credit Borrowers' Account for the amount of any item of payment which is unsatisfactory to the Lender and the Lender may charge Borrowers' Account for the amount of any item of payment which is returned to the Lender unpaid.

(iii) All payments (including prepayments) of principal, interest and other amounts payable under this Agreement and any other Loan Document shall be made to the Lender at the Payment Office not later than 2:00 p.m. (New York City time) on the due date therefor (or, if such due date is not a Business Day, on the next Business Day) in lawful money of the United States of America in funds immediately available to the Lender. Any payment received by the Lender subsequent to 2:00 p.m. (New York City time) on any Business Day (regardless of whether such payment is due on such Business Day) shall be deemed received by the Lender, and shall be applied to the applicable Obligations intended to be paid thereby, on the next Business Day. The Lender shall have the right to effectuate payment on any and all Obligations due and owing hereunder by charging Borrowers' Account.

(iv) The Borrowers shall pay principal, interest, and all other amounts payable under this Agreement and each other Loan Document without any deduction whatsoever, including, but not limited to, any deduction for any setoff or counterclaim.

Section 2.04 **Evidence of Debt**. Upon the request of the Lender, the Borrowers shall execute and deliver to the Lender a Lender Note, which shall evidence the Loan made by it pursuant to the terms hereof. The Lender may attach schedules to its Lender Note and endorse thereon the date, amount and maturity of its Loan and payments with respect thereto. Upon receipt of an affidavit of the Lender as to the loss, theft, destruction or mutilation of such Lender Note and upon cancellation of such Lender Note, the Borrowers will issue, in lieu thereof, a replacement Lender Note in favor of the Lender, in the same principal amount thereof and otherwise of like tenor.

Section 2.05 Optional Prepayments.

(a) During the Initial Period, the Loan may not be prepaid, in whole or in part, without also paying the Prepayment Fee. Upon any prepayment of the Loan during the Initial Period, whether due to acceleration or otherwise, the Borrowers shall pay a prepayment premium in an amount equal to the Prepayment Fee. Any payment of Prepayment Fee shall be deemed liquidated damages and not a penalty.

(b) Following the Initial Period, the Borrowers may, at any time and from time to time, upon two (2) Business Days prior written notice from the Administrative Borrower to the Lender (or such shorter time as may be mutually agreed by the Lender and the Administrative Borrower) delivered not later than 1:00 p.m. (New York City time), prepay the principal of the Loan, in whole or in part, without penalty.

Section 2.06 Mandatory Prepayments.

(a) If (i) any Debt shall be incurred by any Borrower (excluding any Debt permitted to be incurred pursuant to Section 7.01(a) through Section 7.01(m)) or (ii) any Equity Interests shall be issued by any Borrower, then, in each case, no later than five Business Days after such Borrower receives the Net Cash Proceeds therefrom, the Loans shall be prepaid by an amount equal to 100% of the amount of the Net Cash Proceeds from such incurrence or issuance as set forth in Section 2.07.

(b) If on any date any Borrower shall receive Net Cash Proceeds from any Asset Sale or Recovery Event in an amount for any such sale or event in excess of $500,000, then, unless a Reinvestment Notice shall be delivered in respect thereof, within five Business Days of the date of receipt by such Borrower of such Net Cash Proceeds, the Loans shall be prepaid as set forth in Section 2.07; provided that, notwithstanding the foregoing, so long as no Default shall have occurred and be continuing, such Borrower may reinvest all or any portion of such Net Cash Proceeds in assets used or useful in any Borrower's business so long as (i) within 90 days following receipt of such Net Cash Proceeds, a definitive agreement for the purchase of such assets shall have been entered into (as certified by such Borrower in writing to the Lender), and (ii) within 270 days after the receipt of such Net Cash Proceeds, such purchase shall have been consummated (as certified by such Borrower in writing to the Lender); provided further, however, that any Net Cash Proceeds not subject to such definitive agreement or so reinvested shall be immediately applied to the prepayment of the Loans as set forth in Section 2.07.

(c) In connection with any prepayment made pursuant to this Section 2.06 during the Initial Period, the Borrowers shall also pay a prepayment premium in an amount equal to the Prepayment Fee.

Section 2.07 Application of Payments.

(a) Amounts to be applied in connection with payments of the Loan made other than prepayments under Section 2.06 shall be shall be applied first to accrued interest and next to the installments of the Loan in inverse order of maturity.

(b) Each prepayment of a Loan pursuant to Section 2.06 shall be applied first to accrued interest and next to the installments of the Loan in inverse order of maturity.

Section 2.08 Interest.

(a) **Applicable Rate**. Subject to the provisions of Section 2.08(b), each Loan shall bear interest on the outstanding principal amount thereof from the applicable borrowing date at a rate per annum equal to the Applicable Rate.

(b) **Default Rate**. Upon the occurrence and during the continuance of an Event of Default, the principal of, and all accrued and unpaid interest on, the Loan, fees, indemnities or any other Obligations of the Loan Parties under this Agreement and the other Loan Documents, shall bear interest, from the date such Event of Default occurred 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 Default Rate.

Section 2.09 Certain Other Fees and Payments.

(a) **Fee Letters**. The Borrowers shall pay to the Lender and the Collateral Agent the fees in the amounts and at the times specified in the Fee Letters. Such fees shall be fully earned when paid and shall not be refundable for any reason whatsoever.

(b) **Collateral Agent Advances.** 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 Borrowers of the Loan and other Obligations or to pay any other amount chargeable to the Borrowers pursuant to the terms of this Agreement, including, without limitation, costs, fees and expenses as described in Section 9.03. The Collateral Agent Advances shall be secured by the Collateral and shall bear interest at a rate per annum equal to the Applicable Rate. The Collateral Agent Advances shall constitute Obligations hereunder which shall be charged to the Borrowers' Account in accordance with Section 2.03(d).

(c) **Audit and Collateral Monitoring Fees**. The Borrowers acknowledge that pursuant to the Loan Documents, representatives of the Collateral Agent may visit the Borrowers and/or conduct inspections, audits, physical counts, valuations, appraisals, and/or examinations of any or all of the Borrowers at any time and from time with prior notice during normal business hours. The Borrowers agree to pay, up to a maximum of $3,000 per year, the cost of all visits, inspections, audits, physical counts, valuations, appraisals, and/or examinations conducted by a third party on behalf of the Agents; provided, that so long as no Event of Default shall have occurred and be continuing, the Borrowers shall not be obligated to reimburse the Collateral Agent for more than one (1) appraisal and examination during any calendar year.

Section 2.10 Computation of Interest and Fees.

(a) All computations of interest for the Loan and fees shall be made on the basis of a 360-day year for the actual number of days, including the first day but excluding the last day, elapsed.

(b) Each determination by the Lender of an interest rate or fee hereunder shall be conclusive and binding for all purposes, absent manifest error. Each Borrower confirms that it fully understands and is able to calculate the rate of interest applicable to the Loan based on the methodology for calculating per annum rates provided for in this Agreement.

Section 2.11 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 Taxes except as required by applicable Legal Requirements. If any Loan Party is required by applicable Legal Requirements to deduct or withhold any Taxes from such payments, then:

(i) if such Tax is an Indemnified Tax, the amount payable by the applicable Loan Party shall be increased so that after all such required deductions or withholdings are made (including deductions or withholdings applicable to additional amounts payable under this Section), the Lender receives an amount equal to the amount it would have received had no such deduction or withholding been made; and

(ii) the Loan Parties shall make such deductions or withholdings and timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with applicable Legal Requirements.

(b) Without limiting the provisions of Section 2.11(a) above, the Loan Parties shall timely pay any Other Taxes to the relevant Governmental Authority in accordance with applicable Legal Requirements.

(c) Within fifteen days after receipt by the Administrative Borrower of a duly-executed certificate from the Lender as to the amount of Indemnified Taxes that Lender is seeking reimbursement for, the Loan Parties shall reimburse Lender for such amount of Indemnified Taxes (including Indemnified Taxes imposed on or attributable to amounts payable under this Section) paid or payable by the Lender, on or with respect to an amount payable by any Loan Party under or in respect of this Agreement or under any other Loan Document, together with any expenses arising in connection therewith and with respect thereto.

(d) As soon as practicable after any payment of Taxes by any Loan Party to a Governmental Authority pursuant to this Section 2.11, such Loan Party shall deliver to the Lender the original or certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the relevant return reporting such payment or other evidence of such payment reasonably satisfactory to the Lender.

(e) If the Lender 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 by any Loan Party or with respect to which any Loan Party has paid additional amounts pursuant to this Section, it shall pay over such refund (or the amount of any credit in lieu of refund) to the applicable Loan Party (but only to the extent of indemnity payments made, or additional amounts paid, by the applicable Loan Party under this Section with respect to the Taxes giving rise to such refund or credit in lieu of refund), net of all out-of-pocket expenses of the Lender and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund or credit in lieu of refund); provided that, the applicable Loan Party, upon the request of the Lender, agrees to repay the amount paid over to the applicable Loan Party (plus any interest, penalties, or other charges imposed by the relevant Governmental Authority) to the Lender in the event the Lender is required to repay such refund or credit in lieu of refund to such Governmental Authority. Notwithstanding anything to the contrary in this paragraph (e), in no event will the Lender be required to pay any amount to the applicable Loan Party pursuant to this subsection if the payment of such amount would place the Lender in a less favorable net after-Tax position than it would have been in if the Tax subject to indemnification had not been deducted, withheld, or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. Nothing in this paragraph (e) shall be construed to require the Lender to make available its tax returns or any other information relating to its taxes that it deems confidential to any Borrower or any other Person.

(f) The obligations of the Borrowers under this Section 2.11 shall survive the termination of this Agreement and the payment of the Loan and all other amounts payable under the Loan Documents.

Section 2.12 Changes in Law; Impracticability or Illegality.

(a) The Applicable Rate may be adjusted by the Lender with respect to the Lender on a prospective basis to take into account any material additional or increased costs to the Lender due to any Change in Law occurring subsequent to the Closing Date, including changes in Tax laws (except changes of general applicability in corporate income Tax laws). In any such event, the Lender shall give the Administrative Borrower and the Collateral Agent advance prior written notice of such a determination and adjustment. Upon its receipt of such notice from the Lender, the Administrative Borrower may, by notice to the Lender (i) require the Lender to furnish to the Administrative Borrower a statement setting forth the basis for adjusting such Applicable Rate and the method for determining the amount of such adjustment, or (ii) repay the Loan with respect to which such adjustment is made (together with any amounts due under Section 2.05).

(b) In the event that any change in market conditions or any Change in Law, shall at any time after the date hereof, in the reasonable opinion of the Lender, make it unlawful or impractical for the Lender to maintain the Loan or to continue such maintaining, or to determine or charge interest rates at the Applicable Rate, the Lender shall give notice of such changed circumstances to the Administrative Borrower and the Collateral Agent.

(c) The obligations of the Borrowers under this Section 2.12 shall survive the termination of this Agreement and the payment of the Loan and all other amounts payable under the Loan Documents.

Section 2.13 Joint and Several Liability.

(a) All Borrowers shall be liable, on a joint and several basis, for all Obligations, including, without limitation, all amounts due to the Collateral Agent and Lenders under this Agreement and the other Loan Documents, regardless of which Borrower actually receives any proceeds of the Obligations or the manner in which the Collateral Agent and Lenders account for such Obligations on its books and records or for any other reason. The Obligations with respect to the Loan made to the Borrowers, and the Obligations arising as a result of the joint and several liability of a Borrower hereunder, shall be separate and distinct obligations, but all such Obligations shall be primary obligations of all Borrowers.

(b) The Obligations arising as a result of the joint and several liability of a Borrower hereunder with respect to the Loan or other Obligations shall, to the fullest extent permitted by law, be unconditional irrespective of (i) the validity or enforceability, avoidance or subordination of the Obligations of the other Borrowers or of any promissory note or other document evidencing all or any part of the Obligations of the other Borrowers, (ii) any incapacity or lack of power, authority or legal personality of any other Borrower or other Person, (iii) the absence of any attempt to collect the Obligations from the other Borrowers or any other security therefor, or the absence of any other action to enforce or failure to realize the full value of the same, (iv) any amendment (however fundamental) replacement variation, assignment termination and/or the waiver, consent, extension, forbearance or granting of any indulgence by the Collateral Agent or Lenders with respect to any provisions of any instrument evidencing the Obligations of the other Borrowers, or any part thereof, or any other agreement now or hereafter executed by the other Borrowers and delivered to the Collateral Agent or Lenders, (v) the failure by the Collateral Agent, Lenders or any other Person to take any steps to perfect and maintain its Lien in, or to preserve its rights and maintain its security or collateral for the Obligations of the other Borrowers, (vi) the election of the Collateral Agent, Lenders or any other Person in any proceeding instituted under the Bankruptcy Code, of the application of Section 1111(b)(2) of the Bankruptcy Code, (vii) the disallowance of all or any portion of the claim(s) of the Collateral Agent, Lenders or any other Person for the repayment of the Obligations of the other Borrowers under Section 502 of the Bankruptcy Code, (viii) any insolvency, liquidation, administration or similar procedure or corporate action in respect of any other Borrower and/or any legal proceedings or procedures by any of the other Borrowers' creditors or (ix) any other circumstances which might constitute a legal or equitable discharge or defense of the other Borrowers.

(c) With respect to the Obligations arising as a result of the joint and several liability of a Borrower hereunder with respect to Loan proceeds or other Obligations, each Borrower waives, until all of the Obligations have been paid in full, any right to enforce any right of subrogation or any remedy which the Collateral Agent, Lenders or any other Person now has or may hereafter have against Borrowers, any endorser or any guarantor of all or any part of the Obligations, and any benefit of, and any right to participate in, any security or collateral given to the Collateral Agent, Lenders or any other Person.

(d) Upon any Event of Default and for so long as the same is continuing, the Collateral Agent and Lenders may proceed directly and at once, without notice, against any Borrower to collect and recover the full amount, or any portion of the Obligations, without first proceeding against the other Borrowers or any other Person, or against any security or collateral for the Obligations. Each Borrower consents and agrees that none of the Collateral Agent, Lenders or any other Person shall be under any obligation to marshal any assets in favor of Borrowers or any other Person or against or in payment of any or all of the Obligations.

(e) Each Borrower expressly waives any and all rights of subrogation, reimbursement, indemnity, exoneration, contribution of any other claim which such Borrower may now or hereafter have against the other Borrowers or any other Person directly or contingently liable for the Obligations hereunder, or against or with respect to the other Borrowers' property (including, without limitation, any property which is Collateral for the Obligations), arising from the existence or performance of this Agreement.

Section 2.14 Star Buds Acquisitions.

(a) If the Loan Parties have not closed the acquisition of one or more of the Star Buds dispensaries on or before April 30, 2021, the Lender shall have the option (but not the obligation) to issue a mandatory repayment notice (the "***Star Buds Repayment Notice***") to the Administrative Borrower. If the Lender does not deliver a Star Buds Repayment Notice to the Administrative Borrower on or before June 30, 2021, the Lender's option under this Section 2.14(a) shall expire unexercised.

(b) No later than five Business Days after the Administrative Borrower receives a timely delivered Star Buds Repayment Notice from the Lender, the Borrowers shall repay the Loans by an amount equal to the *sum* of (i) the aggregate sum of the Star Buds Acquisition Amounts for those Star Buds dispensaries not acquired by the Loan Parties (such aggregate sum, the "***SB Principal Repayment***"), *plus* (ii) the SB Principal Repayment multiplied by four percent (4.0%).

ARTICLE III
ADMINISTRATIVE BORROWER; COLLATERAL AGENT

Section 3.01 **Administrative Borrower**.

(a) Each Borrower hereby irrevocably appoints Purplebee's, as the borrowing agent and attorney-in-fact for the Borrowers (the "***Administrative Borrower***") which appointment shall remain in full force and effect unless and until the Lender and Collateral Agent shall have received prior written notice signed by all of the Borrowers that such appointment has been revoked and that another Borrower has been appointed Administrative Borrower. Administrative Borrower hereby accepts the appointment by each Loan Party to act as the agent of Borrowers pursuant to this Section 3.01. Administrative Borrower shall ensure that the disbursement of any Loan proceeds to each Borrower requested by or paid to or for the account of Borrowers hereunder, shall be paid to or issued for the account of such Borrower.

(b) Each Borrower hereby irrevocably appoints and constitutes Administrative Borrower as its agent to receive Loan proceeds pursuant to this Agreement and the other Loan Documents from the Lender in the name or on behalf of such Borrower. The Lender may disburse the Loan proceeds to such bank account of Administrative Borrower or a Borrower or otherwise make such Loans to a Borrower, in each case as Administrative Borrower may designate or direct, without notice to any other Borrower or Loan Party. Notwithstanding anything to the contrary contained herein, the Collateral Agent may at any time and from time to time require that amounts be disbursed directly to an operating account of a Borrower or to any other Person.

(c) Each Loan Party hereby irrevocably appoints and constitutes Administrative Borrower as its agent to receive statements on account and all other notices from the Lender and Collateral Agent with respect to the Obligations or otherwise under or in connection with this Agreement and the other Loan Documents. Any notice, election, representation, warranty, agreement or undertaking by or on behalf of any Loan Party by Administrative Borrower shall be deemed for all purposes to have been made by such Loan Party and shall be binding upon and enforceable against such Loan Party to the same extent as if made directly by such Loan Party.

Section 3.02 Collateral Agent Matters.

(a) **Appointment**. Borrowers and Lender hereby irrevocably appoint the Collateral Agent to act on its behalf as the Collateral Agent hereunder and under the other Loan Documents and authorizes the Collateral Agent to take such actions on its behalf and to exercise such powers as are delegated to the Collateral Agent by the terms hereof or thereof 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 Secured Obligations, together with such powers and discretion as are reasonably incidental thereto. Anything contained in any of the Loan Documents to the contrary notwithstanding, the Borrowers, Lender, and the Collateral Agent hereby agree that the Lender shall not have any right individually to realize upon any of the Collateral under any Loan Document or to enforce any Security Document, 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 Lender in accordance with the terms thereof.

(b) **Collateral and Guaranty**.

(i) The Borrowers and the Lender irrevocably authorize the Collateral Agent at its option and in its discretion: (A) to release any Lien on any property granted to or held by the Collateral Agent (on behalf of the Lender) under any Loan Document (1) upon payment in full of all Obligations (other than contingent indemnification obligations), (2) that is sold or otherwise disposed of or to be sold or otherwise disposed of as part of or in connection with any sale or other disposition permitted hereunder or under any other Loan Document, or (3) if approved, authorized or ratified in writing by the Lender; (B) to subordinate any Lien on any property granted to or held by the or the Collateral Agent under any Loan Document to the holder of any Lien on such property that is permitted by the Loan Documents; and (C) to release a Borrower or the Guarantor from its obligations under this Agreement (and each other applicable Loan Document including the Guaranty) if such Person ceases to be a Loan Party as a result of a transaction permitted hereunder.

(ii) Upon request by the Collateral Agent at any time, the Lender shall confirm in writing the Collateral Agent's authority to release or subordinate its interest in particular types or items of property, or to release any Guarantor from its obligations under the Guaranty and each other applicable Loan Document pursuant to this Section 3.02. In each case as specified in this Section 3.02, the Collateral Agent shall, at the Loan Parties' expense, execute and deliver to the applicable Loan Party such documents as such Loan Party may reasonably request to evidence the release of such items of Collateral from the Lien granted under the Security Documents or to subordinate its interest in such item, or to release such Guarantor from its obligations under the Guaranty and each other applicable Loan Document, in each case in accordance with the terms of the Loan Documents and this Section 3.02.

(c) **Reliance**. The Collateral Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing (including, but not limited to, any electronic message, internet or intranet website posting or other distribution) believed by it to be genuine and to have been signed, sent or otherwise authenticated by the proper Person. The Collateral Agent also may rely upon any statement made to it orally or by telephone and believed by it to have been made by the proper Person, and shall not incur any liability for relying thereon. In determining compliance with any condition hereunder to exercising rights with respect to the Collateral, the Collateral Agent may presume that such condition has been satisfied upon the Collateral Agents written notice from the Lender of such satisfaction. The Collateral Agent may consult with legal counsel (who may be counsel for the Lender), independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts.

(d) **Exculpation**.

(i) The Collateral Agent shall not have any duties or obligations except those expressly set forth herein and in the other Loan Documents, which shall be ministerial and administrative in nature. Without limiting the generality of the foregoing, the Collateral Agent: (A) shall not be subject to any fiduciary or other implied duties, regardless of whether a Default or an Event of Default has occurred and is continuing; (B) shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby or by the other Loan Documents that the Collateral Agent is required to exercise as directed in writing by the Lender; provided that, the Collateral Agent shall not be required to take any action that, in its opinion or the opinion of its counsel, may expose the Collateral Agent to liability or that is contrary to any Loan Document or applicable law, including, for the avoidance of doubt, any Debtor Relief Law applicable to any Borrower; and (C) shall not, except as expressly set forth herein and in the other Loan Documents, have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to the Loan Parties or any of their Affiliates that is communicated to or obtained by the Collateral Agent or any of its Affiliates in any capacity.

(ii) The Collateral Agent shall not be liable for any action taken or not taken by it (A) with the consent or at the request of the Lender, or (B) in the absence of its own gross negligence or willful misconduct as determined by a final and non-appealable judgment of a court of competent jurisdiction.

(iii) The Collateral Agent shall not be deemed to have knowledge of any Default or Event of Default unless and until notice describing such Default or Event of Default is given to the Collateral Agent in writing by a Loan Parties or the Lender. In the event that the Collateral Agent obtains such actual knowledge or receives such notice, the Collateral Agent shall give prompt notice thereof to the Lender. Upon the occurrence of a Default or Event of Default, the Collateral Agent shall take such action with respect to such Default or Event of Default as shall be reasonably directed by the Lender. Unless and until the Collateral Agent shall have received such direction, the Collateral Agent may (but shall not be obligated to) take such action, or refrain from taking such action, with respect to any such Default or Event of Default as it shall deem advisable in the best interest of the Lender. In no event shall the Collateral Agent be required to comply with any such directions to the extent that the Collateral Agent believes that its compliance with such directions would be unlawful.

(iv) The Collateral Agent shall not be responsible for or have any duty to ascertain or inquire into (A) any statement, warranty or representation made in or in connection with this Agreement or any other Loan Document, (B) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith, (C) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or therein or the occurrence of any Default or Event of Default, (D) the validity, enforceability, effectiveness or genuineness of this Agreement, any other Loan Document or any other agreement, instrument or document or the creation, perfection or priority of any Lien purported to be created by the Security Documents, or (E) the value or the sufficiency of any Collateral, (F) the satisfaction of any condition set forth in Article IV or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to the Collateral Agent.

(v) The Collateral Agent shall not be responsible or liable for or have any duty to ascertain, monitor or enforce, compliance with the provisions hereof relating to Disqualified Institutions. Without limiting the generality of the foregoing, the Collateral Agent shall have no (A) obligation to ascertain, monitor or inquire whether the Lender or Participant or prospective Lender or Participant is a Disqualified Institution or (B) liability with respect to or arising out of any assignment or participation of Loans, or disclosure of Information, to any Disqualified Institution.

(vi) The Collateral Agent shall have no obligation whatsoever to the Lender to assure that the Collateral exists or is owned by the Borrowers 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 any 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.

(e) **Proofs of Claim**. In case of the pendency of any proceeding under any Debtor Relief Law or any other judicial proceeding relative to any Borrower, 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 Borrowers) shall be entitled and empowered (but not obligated) by intervention in such proceeding or otherwise:

(i) to file and prove a claim for the whole amount of the principal and interest owing and unpaid in respect of the Loan 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

(ii) 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.

(f) **Indemnification**. To the extent that the Collateral Agent or any Related Party of the foregoing is not reimbursed and indemnified by any Borrower, and whether or not the Collateral Agent has made demand on the Administrative Borrower for the same, the Lender will, within five (5) days of written demand by the Collateral Agent, reimburse the Collateral Agent and such Related Parties for and indemnify the Collateral 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 the Collateral Agent and such Related Parties), advances or disbursements of any kind or nature whatsoever which may be imposed on, incurred by, or asserted against the Collateral 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 the Collateral Agent and such Related Parties under this Agreement or any of the other Loan Documents; provided, however, that the Lender shall not 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 the Collateral Agent's or such Related Party's gross negligence or willful misconduct. The Collateral Agent shall not be obliged to expend or risk its own funds or otherwise incur any financial liability in the performance of its duties, obligations or responsibilities or the exercise of any right, power, authority or discretion if it has grounds for believing the repayment of such funds or adequate indemnity against, or security for, such risk or liability is not reasonably assured to it. The obligations of the Lender under this Section 3.02(f) shall survive the payment in full of the Loan and the termination of this Agreement.

(g) **Resignation and Removal**.

(i) The Collateral Agent may at any time give written notice of its resignation to the Lender and the Administrative Borrower. Upon receipt of any such notice of resignation, the Lender shall have the right to appoint a successor Collateral Agent selected by the Lender in its sole discretion. If no such successor shall have been so appointed by the Lender and shall have accepted such appointment within thirty (30) days after the retiring Collateral Agent gives notice of its resignation, or by such earlier date as agreed by the Lender (the "***Agent Resignation Date***"), then the retiring Collateral Agent may, but shall not be obligated to, on behalf of the Lender, appoint a successor Collateral Agent meeting the qualifications set forth above; provided that no successor Collateral Agent shall be an Affiliate of the Lender or a Disqualified Institution. Regardless of whether a qualifying Person has accepted such appointment, such resignation shall nonetheless become effective in accordance with such notice on the Agent Resignation Date.

(ii) The Collateral Agent may be removed as Collateral Agent at any time, with or without cause, by the Lender upon thirty (30) days' prior written notice to the Collateral Agent (the "***Agent Removal Date***"). Upon any such removal, the Lender shall have the right to appoint a successor Collateral Agent selected by the Lender in its sole discretion. If no such successor shall have been so appointed by the Lender and shall have accepted such appointment on the Agent Removal Date, such removal shall nonetheless become effective in accordance with such notice on the Agent Removal Date.

(iii) With effect from the Agent Resignation Date or the Agent Removal Date, as applicable (i) the retiring or removed Collateral 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 the Collateral Agent on behalf of the Lender under any of the Loan Documents, the retiring or removed Collateral Agent shall continue to hold such collateral security until such time as a successor Collateral Agent is appointed) and (ii) except for any indemnity payments owing to the retiring or removed Collateral Agent, all payments, communications and determinations provided to be made by, to or through the Collateral Agent shall instead be made by the Lender directly, until such time, if any, as the Lender appoints a successor Collateral Agent as provided for above in this Section 3.02(g). Upon the acceptance of a successor's appointment as Collateral Agent hereunder, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring or removed Collateral Agent (except with respect to indemnity payments owed to the retiring or removed Collateral Agent), and the retiring or removed Collateral Agent shall be discharged from all of its duties and obligations hereunder or under the other Loan Documents. The fees payable by the Borrowers to a successor Collateral Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Borrowers and such successor. After the retiring or removed Agent's resignation or removal hereunder and under the other Loan Documents, the provisions of this Section 3.02(g) and 3.02(f) and 10.03 shall continue in effect for the benefit of such retiring or removed Collateral Agent and its respective Related Parties in respect of any actions taken or omitted to be taken by any of them while the retiring or removed Collateral Agent was acting as Collateral Agent hereunder.

ARTICLE IV
CONDITIONS PRECEDENT

Section 4.01 **Conditions Precedent to the Closing Date Term Loan**. The obligation of the Lender to make the Closing Date Term Loan requested to be made by it hereunder is subject to the satisfaction or the waiver by the Lender of the following conditions precedent:

(a) The Lender shall have received, in form and substance reasonably satisfactory to the Lender, as applicable:

(i) this Agreement, duly executed and delivered by an authorized officer of each of the Borrowers;

(ii) the Security Agreement, Intercompany Subordination Agreement, Guaranty, and other Loan Documents, in each case executed and delivered by the Loan Parties party thereto;

(iii) [Reserved];

(iv) a flow of funds showing the funding of the Closing Date Term Loan together with all deductions therefrom, approved by the Administrative Borrower;

(v) results of a recent lien search in each of the jurisdictions where the Loan Parties are organized and the assets of the Loan Parties are located, and such searches confirm the priority of the Liens in favor of the Lender and reveal no liens on any of the assets of the Loan Parties, except for liens permitted under this Agreement or discharged on or prior to the Closing Date pursuant to documentation satisfactory to the Lender;

(vi) satisfactory evidence that each document (including any Uniform Commercial Code financing statement and appropriate filings with the United States Patent and Trademark Office or United States Copyright Office) required by the Loan Documents or any Legal Requirement or reasonably requested by the Lender to be filed, registered, or recorded in order to create in favor of the Lender a perfected first priority Lien on the Collateral described therein, prior and superior in right to any other Person (other than with respect to Liens expressly permitted under this Agreement), shall be in proper form for filing, registration, and recording and provided to the Lender for filing in each jurisdiction;

(vii) [Reserved];

(viii) a customary FinCEN beneficial ownership certification in relation to each Borrower; and

(ix) all fees required to be paid pursuant to the Fee Letter, and all reasonable expenses for which invoices have been presented (including the fees and expenses of legal counsel), on or before the Closing Date. All such amounts will be paid with proceeds of Loans made on the Closing Date and will be reflected in the funding instructions given by the Administrative Borrower to the Lender on or before the Closing Date.

(b) The Lender shall have received a warrant, substantially in the form attached hereto as Exhibit B, duly executed and delivered by an authorized officer of the Guarantor;

(c) There shall have occurred no Material Adverse Effect (other than as a result of any change arising in connection with global health conditions (including the presence or spread of the virus SARS-Co-V-2 or the disease COVID-19 caused by such virus (as each of the virus and disease have been identified by the World Health Organization or any future strains or variations or mutations thereof))) since December 31, 2020;

(d) The Lender shall have received, in form and substance reasonably satisfactory to it, a certificate of each Loan Party, certified by a secretary of such Loan Party, dated the Closing Date, including:

(i) a certificate of formation, organization, or incorporation, as applicable, of each Loan Party certified by the relevant authority of the jurisdiction of organization of such Loan Party;

(ii) by-laws, operating agreements, and other governing documents, as applicable, for each Loan Party as in effect on the date on which the resolutions referred to below were adopted;

(iii) resolutions of the governing body of each Loan Party approving the transaction and each Loan Document to which it is or is to be a party, and of all documents evidencing other necessary corporate, partnership, or limited liability company action;

(iv) a certification that the names, titles, and signatures of the officers of each Loan Party authorized to sign each Loan Document to which it is or is to be a party and other documents to be delivered hereunder and thereunder are true and correct; and

(v) a good standing certificate for each Loan Party (A) from its jurisdiction of organization, and (B) from each state where it is qualified to do business;

(e) [Reserved];

(f) The Lender shall have received evidence of insurance coverage in form, scope, and substance satisfactory to the Lender and otherwise in compliance with the terms of Section 5.10 and Section 6.06 of this Agreement;

(g) The Lender shall have received copies of the financial statements referenced in Section 5.04; and

(h) The Lender shall have completed its business, legal and collateral due diligence with respect to each Borrower and the results thereof shall be acceptable to the Lender, in its reasonable discretion.

Section 4.02 **Conditions Precedent to the Delayed Draw Term Loan**. The obligation of the Lender to make the Delayed Draw Term Loan, is subject to the satisfaction or the waiver by the Lender of the following conditions precedent prior to the Delayed Draw Termination Date:

(a) Each of the representations and warranties made by any Loan Party in or pursuant to the Loan Documents shall be true and correct in all material respects (or, as to any representation and warranty that is qualified by materiality or Material Adverse Effect, in all respects) on and as of the date such Loan is made as if made on and as of such date;

(b) No Default or Event of Default shall have occurred and be continuing on such date or after giving effect to the Loans requested to be made on such date;

(c) The SCG Acquisition shall have been consummated, and the Lender shall have received true, complete copies of the SCG Acquisition Documents.;

(d) The Lender shall have received a certificate of a Responsible Officer of the Administrative Borrower that each of the conditions set forth in Sections 4.02(a), (b) and (c) have been satisfied;

(e) The Lender shall have received:

(i) the Pro Forma Balance Sheet; and

(ii) the legal opinion of counsel to the Borrowers covering such matters incident to the addition of those entities acquired in the SCG Acquisition to this Agreement and the other Loan Documents as the Lender may reasonably require;

(f) All governmental and third party approvals necessary in connection with the SCG Acquisition, the continuing operations of the Loan Parties and their Subsidiaries, and the transaction contemplated thereby shall have been obtained and be in full force and effect, and all applicable waiting periods shall have expired without any action being taken or threatened by any competent authority that would restrain, prevent, or otherwise impose materially adverse conditions on the SCG Acquisition or the financing contemplated hereby; and

(g) The entities acquired in the SCG Acquisition shall have executed, as applicable, and delivered to the Lender those documents and other deliverables required of the Borrowers at the Closing Date pursuant to Section 4.01(a) and Section 4.01(d).

Section 4.03 **Conditions Subsequent to Effectiveness**. As an accommodation to the Borrowers, the Lender has agreed to execute this Agreement and to make the Closing Date Term Loan on the Closing Date notwithstanding the failure by the Borrowers to satisfy the conditions set forth below on or before the Closing Date. In consideration of such accommodation, the Borrowers 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 4.01, the Borrowers 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 Borrowers 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 Lender hereby waives such breach for the period from the Closing Date until the date on which such condition subsequent is required to be fulfilled pursuant to this Section 4.03):

(a) Within 30 days after the Closing Date, a Deposit Account Control Agreement with respect to each Deposit Account (as defined in the Security Agreement) of a Borrower in a form and substance acceptable to the Collateral Agent, duly executed by the entity holding the relevant Deposit Account;

(b) Within 30 days after the Closing Date, a Collateral Access Agreement with respect to all leases of real property under which any Borrower is the lessee, executed by the applicable landlord and Borrower lessee, in a form and substance reasonably acceptable to Lender, duly executed by the entity leasing the applicable property ("***Collateral Access Agreement***");

(c) Within 30 days after the Closing Date, the Lender shall have received the legal opinion of counsel to the Borrowers covering such matters incident to the transactions contemplated by this Agreement as the Lender may reasonably require;

(d) No later than March 15, 2021, the Lender shall have received the unaudited consolidated balance sheets of the Guarantor and its Subsidiaries, dated as of January 31, 2021, and the related unaudited consolidated statements of income and of cash flows for the 1-month period ended on such date; and

(e) No later than March 30, 2021, the Lender shall have received the unaudited consolidated balance sheets of the Guarantor and its Subsidiaries, dated as of December 31, 2020, and the related unaudited consolidated statements of income and of cash flows for the 12-month period ended on such date.

ARTICLE V
REPRESENTATIONS AND WARRANTIES

To induce the Lender to enter into this Agreement and to make the Loans hereunder, the Borrowers hereby represent and warrant to the Lender that:

Section 5.01 **Existence; Compliance With Laws**. Each Loan Party (a) is duly organized, validly existing, and in good standing under the laws of the jurisdiction of its formation, (b) is duly qualified as a foreign corporation or other organization and in good standing under the laws of each jurisdiction where its ownership, lease, or operation of property or the conduct of its business requires such qualification except to the extent that the failure to qualify in such jurisdiction would not reasonably be expected to have a Material Adverse Effect, and (c) is in compliance with all applicable Legal Requirements.

Section 5.02 **Power; Authorization; Enforceability.**

(a) Each Loan Party has the power and authority, and the legal right, to own or lease and operate its property, and to carry on its business as now conducted, and to execute, deliver, and perform the Loan Documents to which it is a party and, in the case of each Borrower, to obtain Loans hereunder. Each Loan Party has taken all necessary organizational action to authorize the execution, delivery, and performance of the Loan Documents to which it is a party and, in the case of each Borrower, to authorize the borrowing of Loans on the terms and conditions contained herein. Other than (i) the consents, authorizations, filings, and notices described in Schedule 5.02, which consents, authorizations, filings, and notices have been obtained or made and are in full force and effect and (ii) the filings referred to in Section 4.01(a)(vi), no other consents or authorizations of, filings with, notices to, or other act by, or in respect of, any Governmental Authority or any other Person is required in connection with the extensions of credit hereunder or with the execution, delivery, performance, validity, or enforceability of this Agreement or any of the Loan Documents Each Loan Document has been duly executed and delivered by each Loan Party thereto.

(b) This Agreement constitutes, and each other Loan Document when delivered hereunder will constitute, a legal, valid, and binding obligation of each Loan Party thereto, enforceable against each such Loan Party in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws affecting the enforcement of creditors' rights generally and by general equitable principles (whether enforcement is sought by proceedings in equity or at law).

Section 5.03 **No Contravention**. The execution, delivery, and performance of this Agreement and the other Loan Documents, the borrowing of Loans hereunder, and the use of the proceeds thereof will not violate any applicable Legal Requirement, any Organizational Document or any Material Contract of any Loan Party and will not result in, or require, the creation or imposition of any Lien on any of their respective properties or assets pursuant to any applicable Legal Requirement, any Organizational Document or any such Material Contract (other than the Liens created by the Loan Documents). No Legal Requirement or Contractual Obligation applicable to any Loan Party could reasonably be expected to have a Material Adverse Effect.

Section 5.04 **Financial Statements**. The audited consolidated balance sheets of Guarantor and its Subsidiaries, dated as of December 31, 2019, and the related consolidated statements of income and of cash flows for the fiscal year ended on such date, accompanied by an unqualified opinion from independent public accountants, present fairly in all material respects the consolidated financial condition of the Borrowers as at such date, and the consolidated results of their operations and their consolidated cash flows for the fiscal year then ended, in accordance with GAAP.

Section 5.05 **No Material Adverse Effect**. Since January 1, 2018, no development or event has occurred that has had or could reasonably be expected to have a Material Adverse Effect (other than as a result of any change arising in connection with global health conditions (including the presence or spread of the virus SARS-Co-V-2 or the disease COVID-19 caused by such virus (as each of the virus and disease have been identified by the World Health Organization or any future strains or variations or mutations thereof))) with respect to any Borrower.

Section 5.06 **No Litigation**. No action, suit, litigation, investigation, or proceeding of or before any arbitrator or Governmental Authority is pending or, to the knowledge of any Borrower, threatened by or against any Loan Party or against any of its property or assets (a) with respect to any of the Loan Documents or any of the transactions contemplated hereby or thereby or (b) that would reasonably be expected to have a Material Adverse Effect, other than that set forth on Schedule 5.06 (the "***Disclosed Litigation***"), and there has been no adverse change in the status, or financial effect on any Borrower or any other Loan Party, of the Disclosed Litigation from that described on Schedule 5.06..

Section 5.07 **No Default**. No Default or Event of Default has occurred and is continuing and no default has occurred and is continuing under or with respect to any Contractual Obligation of any Borrower or any of its Subsidiaries that would reasonably be expected to have a Material Adverse Effect.

Section 5.08 **Real Property Leases**.

(a) Each Loan Party has a valid leasehold interest in the leased property set forth on Schedule 5.08.

(b) Schedule 5.08 sets forth a complete and accurate list as of the date hereof of all leases, subleases or licenses of or other agreement granting a possessory interest in real property to which any Borrower is a party as lessor, lessee, sublessor, sublessee, licensor or licensee of real property, showing as of the date hereof, the street address, state, lessor, lessee, and expiration date.

(c) No Borrower is 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 of the real property leased by the Borrower set forth on Schedule 5.08. The use and operation of the of the real property leased by each Borrower that is the tenant under such lease, sublease or license of or other agreement granting a possessory interest in real property to which any Borrower is a party as lessor, lessee, sublessor, sublessee, licensor or licensee in the conduct of such Borrower's business does not violate any covenant, condition, restriction, easement, Legal Requirement, permit, license, authorization, approval, entitlement, accreditation, or Contractual Obligation.

(d) No Borrower owns any real property.

Section 5.09 **Environmental Matters**. Except as set forth on Schedule 5.09:

(a) none of the facilities or properties currently or formerly owned, leased, or operated by a Borrower contain or previously contained, any Hazardous Materials in amounts or concentrations or under circumstances that constitute or constituted a violation of, or could reasonably result in liability under, any Environmental Law;

(b) no Borrower has received any notice of actual or alleged violation, non-compliance, or liability regarding compliance with Environmental Laws or other environmental matters or with respect to any of the facilities or properties currently or formerly owned, leased, or operated by any Borrower or the business operated by any Borrower, nor is there any reason to believe that any such notice will be received or is being threatened;

(c) the facilities or properties currently or formerly owned, leased, or operated by any Borrower and all operations by a Borrower at such properties are and formerly have been in compliance with all applicable Environmental Laws, and there is no contamination at, under, or about the Properties or violation of any Environmental Law with respect to the Properties or the business operated by any Loan Party.

Section 5.10 **Insurance**. The properties of the Borrowers are insured with financially sound and reputable insurance companies, in such amounts, with such deductibles, and covering such risks as are customarily carried by companies engaged in similar businesses and owning similar properties in localities where the applicable Borrower operates. Schedule 5.10 sets forth a description of all insurance maintained by or on behalf of the Borrowers as of the Closing Date. Each insurance policy listed on Schedule 5.10 is in full force and effect and all premiums in respect thereof that are due and payable have been paid.

Section 5.11 **Material Contracts**. Schedule 5.11 sets forth all Material Contracts to which a Borrower is a party or is bound as of the Closing Date. The Administrative Borrower has delivered true, correct, and complete copies of such Material Contracts to the Lender on or before the Closing Date. Each Material Contract is in full force and effect and is binding upon and enforceable against each Borrower that is a party thereto and, to the actual knowledge after due inquiry of such Loan Party, all other parties to such Material Contracts, in accordance with its terms. The Borrowers are not in breach or in default in any material respect of or under any Material Contract and have not received any notice of the intention of any other party thereto to terminate any Material Contract.

Section 5.12 **Related Party Transactions**. No Borrower nor any of its Subsidiaries have directly or indirectly, purchased, acquired or leased any property from, or sold, transferred or leased any property to, or made any payment to, entered into any Contract or transaction with, or otherwise dealt with, any Related Parties of any Borrower except for (a) compensation, customary indemnification and benefits of employees, officers and managers; and (b) transactions in the ordinary course of business, in any case on an arm's length basis on terms no less favorable than terms which would have been obtainable from a Person other than a Related Party of a Borrower.

Section 5.13 **Permits**. Each Borrower has, and is in compliance with, all permits, licenses, authorizations, approvals, entitlements and accreditations required for such Borrower lawfully to own, lease, manage or operate, its business as currently managed or operated, by such Borrower, including but not limited to all Required Licenses. 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 material permit, license, authorization, approval, entitlement or accreditation necessary to the operation of the business of any Borrower, including but not limited to all Required Licenses, and there is no claim that any thereof is not in full force and effect.

Section 5.14 **Taxes**.

(a) Each Borrower has filed timely all Federal, state, and other tax returns that are required to be filed and has paid all taxes shown thereon to be due, together with applicable interest and penalties, and all other taxes, fees, or other charges imposed on it or any of its property by any Governmental Authority. No tax Lien has been filed, and, to the actual knowledge after due inquiry of any Borrower, no claim is being asserted, with respect to any such tax, fee, or other charge. No Loan Party is a party to any tax sharing agreement.

(b) 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 Taxes not overdue by more than thirty (30) days or, if more than thirty (30) days overdue, that are being 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. The total amount, as of the date hereof, of all unpaid adjustments to the state, local, and foreign tax liability of all Loan Parties proposed by all state, local, and foreign taxing authorities, together with applicable interest and penalties, does not exceed $200,000.

(c) Other than the non-deductibility of certain expenses pursuant to Section 280E of the Code, no issues have been raised by the Internal Revenue Service or by any state, local, or foreign taxing authorities that, in the aggregate could reasonably be expected to have a Material Adverse Effect.

Section 5.15 **ERISA**. Each Employee Plan is in compliance with ERISA, the Code and any Legal Requirement; neither a Reportable Event nor an "***accumulated funding deficiency***" (within the meaning of §412 or §430 of the Code or §302 of ERISA) has occurred (or is likely to occur) with respect to any Employee Plan. No Single Employer Plan has terminated, and no Lien has been incurred in favor of the PBGC or an Employee Plan. Based on the assumptions used to fund each Single Employer Plan, the present value of all accrued benefits under each such Employee Plan did not materially exceed the value of the assets of such Employee Plan allocable to such accrued benefit as of the last annual valuation date prior to the date on which this representation is made. Neither any Borrower nor any ERISA Affiliate has incurred or is reasonably expected to incur any Withdrawal Liability that could reasonably be expected to result in a material liability under ERISA, in connection with any Employee Plan. There are no claims (other than routine claims for benefits) or lawsuits involving employees or independent contractors of a Borrower that have been asserted or instituted against such Borrower, or to the Borrower's actual knowledge after due inquiry any Employee Plan.

Section 5.16 **Liens**. Schedule 5.16 sets forth a complete and accurate list as of the date hereof of all Liens on the property or assets of any Loan Party, showing as of the date hereof the lienholder thereof and the property or assets of such Loan Party subject thereto.

Section 5.17 **Good Title**. Each Loan Party has good and marketable title to, valid leasehold interests in, or valid licenses to use, its tangible personal property and assets free and clear of all Liens other than Liens permitted by the Loan Documents. All such properties and assets are in good working order and condition, ordinary wear and tear and casualty excepted.

Section 5.18 **Investment Company Act**. No Loan Party is or is required to be registered as an "***investment company***" under the Investment Company Act of 1940, as amended.

Section 5.19 **Equity Interests**.

(a) Schedule 5.19(a) sets forth, in each case (i) each Person that holds any Equity Interests in a Borrower and or any Subsidiary of a Borrower, and (ii) the number or percentage, as applicable, of the issued and outstanding Equity Interests of each Borrower and each Subsidiary of a Borrower held by each Person that holds any Equity Interests in a Borrower and or any Subsidiary of a Borrower. No Borrower holds any Equity Interests in any other Person other than those disclosed on Schedule 5.19(a).

(b) Except as set forth on Schedule 5.19(b), there are no outstanding subscriptions, options, warrants, calls, rights, or other agreements or commitments (other than Equity Interest options granted to employees or directors and directors' qualifying Equity Interests) relating to any Equity Interest of a Borrower or any Subsidiary, except as created by the Loan Documents.

(c) All of the outstanding Equity Interests in each Borrower and each Subsidiary have been validly issued, are fully paid and non-assessable, and are owned by a Loan Party free and clear of all Liens except those created under the Loan Documents.

Section 5.20 **Labor Matters**. There are no strikes, lockouts, or other labor disputes pending or, to the actual knowledge after due inquiry of the Borrower, threatened against any Borrower. Hours worked by and wages paid to employees of each Loan Party have not violated the Fair Labor Standards Act or any other applicable Legal Requirement. All payments due in respect of employee health and welfare insurance from any Loan Party have been paid or properly accrued on the books of the relevant Loan Party.

Section 5.21 **Accuracy of Information, Etc**. Each Borrower has disclosed to the Lender all agreements, instruments, and corporate or other restrictions to which it or any of its Subsidiaries is subject as of the Closing Date, and all other matters known to it as of the Closing Date, that, individually or in the aggregate, would reasonably be expected to have a Material Adverse Effect. No statement or information contained in this Agreement, any other Loan Document, or any other document, certificate, or statement furnished by or on behalf of any Borrower to the Lender, for use in connection with the transactions contemplated by this Agreement or the other Loan Documents, contained, any untrue statement of a material fact or omitted to state a material fact necessary to make the statement contained herein or therein not misleading. The Projections included in such materials are based upon good faith estimates and assumptions believed by the Borrowers to be reasonable at the time made; it being recognized by the Lender that such Projections as to future events are not to be viewed as fact and that actual results during the period or periods covered by the Projections may differ from such projected results and such differences may be material.

Section 5.22 **Security Documents**.

(a) The Security Agreement creates in favor of the Lender a legal, valid, continuing, and enforceable security interest in the Collateral, the enforceability of which is subject to applicable bankruptcy, insolvency, reorganization, moratorium, or other laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law. The financing statements, releases and other filings are in appropriate form and have been or will be filed in the offices specified in the Security Agreement Schedules.

(b) Upon such filings and/or the obtaining of "***control***" (as defined in the Uniform Commercial Code), the Lender will have a perfected Lien on, and security interest in, to and under all right, title, and interest of the grantors thereunder in all Collateral that may be perfected by filing, recording, or registering a financing statement or analogous document (including without limitation the proceeds of such Collateral subject to the limitations relating to such proceeds in the Uniform Commercial Code) or by obtaining control, under the Uniform Commercial Code (in effect on the date this representation is made) in each case prior and superior in right to any other Person, except for Liens permitted under Section 7.02.

Section 5.23 **Solvency**. Each Borrower is, and after giving effect to the incurrence of all Debt and obligations incurred in connection herewith will be, Solvent.

Section 5.24 **OFAC and Other Regulations**.

(a) No Borrower, or, to the actual knowledge after due inquiry of each Borrower, any of its respective officers, directors, brokers, or agents of such Loan Party: (i) has violated any Anti-Corruption Laws; or (ii) has engaged in any transaction, investment, undertaking, or activity that conceals the identity, source, or destination of the proceeds from any category of prohibited offenses designated by the Organization for Economic Co-operation and Development's Financial Action Task Force on Money Laundering.

(b) No Borrower or, to the actual knowledge after due inquiry of each Borrower, any of its respective officers, directors, brokers, or agents of such Borrower, that is acting or benefiting in any capacity in connection with the Loans is a Blocked Person.

(c) No Borrower or, to the actual knowledge after due inquiry of each Borrower, any of the Affiliates or respective officers, directors, brokers, or agents of such Loan Party, Subsidiary, or Affiliate acting or benefiting in any capacity in connection with the Loans: (i) conducts any business or engages in making or receiving any contribution of goods, services, or money to or for the benefit of any Blocked Person; (ii) deals in, or otherwise engages in any transaction related to, any property or interests in property blocked pursuant to any Anti-Corruption Law; or (iii) engages in or conspires to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the prohibitions set forth in any Anti-Corruption Law.

ARTICLE VI
AFFIRMATIVE COVENANTS

So long as any Loans or any other amounts payable to the Lender hereunder or under any other Loan Document have not been paid in full, the Borrowers shall, and shall cause their Subsidiaries to (except that, in the case of the covenants set forth in Section 6.01, Section 6.02, and Section 6.03, the Administrative Borrower shall furnish all applicable materials to the Lender):

Section 6.01 **Financial Statements**. Furnish to the Lender:

(a) As soon as available, but in any event within 90 days after the end of each fiscal year of the Borrowers, a copy of (i) the unaudited consolidated balance sheet of the Borrowers as at the end of such year and the related unaudited consolidated statements of income and of cash flows for such year, setting forth in each case in comparative form the figures for the previous year, and (ii) the annual audit report of Guarantor and its Subsidiaries for such year including a copy of the audited consolidated balance sheet of Guarantor and its Subsidiaries as at the end of such year and the related audited consolidated statements of income and of cash flows for such year, setting forth in each case in comparative form the figures for the previous year, together with an opinion as to such audit report of BF Borgers CPA PC or other independent certified public accountants of nationally recognized standing which does not contain a "***going concern***" or similar qualification or exception, or qualification arising out of the scope of the audit; provided that, in the event of any change in generally accepted accounting principles used in the preparation of such financial statements, the Administrative Borrower shall also provide a reconciliation of such financial statements to GAAP; and

(b) As soon as available, but in any event not later than 45 days after the end of each of the first three quarterly periods of each fiscal year of the Borrowers, a copy of (i) the unaudited consolidated balance sheet of the Borrowers as at the end of such quarter and the related unaudited consolidated statements of income and of cash flows for such quarter and the portion of the fiscal year through the end of such quarter, setting forth in each case in comparative form the figures for the previous year, and (ii) the unaudited consolidated balance sheet of Guarantor and its Subsidiaries as at the end of such quarter and the related unaudited consolidated statements of income and of cash flows for such quarter and the portion of the fiscal year through the end of such quarter, setting forth in each case in comparative form the figures for the previous year, in both cases, certified by a Responsible Officer as being fairly stated in all material respects (subject to normal year-end audit adjustments); and

(c) As soon as available, but in any event not later than 30 days after the end of each month occurring during each fiscal year of the Borrowers, a copy of (i) the unaudited consolidated balance sheets of the Borrowers as at the end of such month and the related unaudited consolidated statements of income and of cash flows for such month and the portion of the fiscal year through the end of such month, setting forth in each case in comparative form the figures for the previous year, and (ii) the unaudited consolidated balance sheets of Guarantor and its Subsidiaries as at the end of such month and the related unaudited consolidated statements of income and of cash flows for such month and the portion of the fiscal year through the end of such month, setting forth in each case in comparative form the figures for the previous year, in both cases, certified by a Responsible Officer as being fairly stated in all material respects (subject to normal year-end audit adjustments).

All such financial statements shall be complete and correct in all material respects and shall be prepared in reasonable detail and in accordance with GAAP applied (except as approved by such accountants or Responsible Officer, as the case may be, and disclosed in reasonable detail therein) consistently throughout the periods reflected therein and with prior periods.

Section 6.02 **Certificates; Other Information**. Furnish the following to the Lender:

(a) As soon as available, but in any event (i) within 90 days after the end of each fiscal year of the Borrowers, forecasts prepared by the management of the Borrowers, in a form reasonably satisfactory to the Lender, of projected consolidated balance sheets, income statements, statements of cash flows, projected changes in financial position, and a description of the underlying assumptions applicable thereto, and as soon as available, significant revisions, if any, of such forecast with respect to such fiscal year (the "***Projections***"), which Projections shall in each case be accompanied by a certificate of the Responsible Officer stating that such Projections are based on reasonable estimates, information, and assumptions and that such Responsible Officer has no reason to believe that such Projections are incorrect or misleading in any material respect and (ii) within 45 days after the end of each fiscal quarter of the Borrowers, a narrative discussion and analysis of the financial condition and results of operations of the Borrowers and their Subsidiaries for such fiscal quarter, as compared to the portion of the Projections covering such periods and to the comparable periods of the previous year;

(b) On the same dates as delivery of the quarterly and annual financial statements in Section 6.01(a) and Section 6.01(b), a compliance certificate in the form attached hereto as Exhibit D (the "***Compliance Certificate***") from a Responsible Officer of the Administrative Borrower:

(i) containing all information and calculations necessary for determining compliance by the Loan Parties with the provisions of this Agreement as of the last day of the fiscal quarter or fiscal year of the Borrowers, as the case may be; and

(ii) stating that, except as noted in any schedules to such Compliance Certificate, the representations and warranties made by the Borrowers contained in Article V of this Agreement and in each other Loan Document, certificate or other writing delivered to any Secured Party pursuant hereto or thereto remain 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 on and as of such earlier date); and

(iii) stating that each Loan Party during such period has observed and performed all of the covenants and other agreements, and satisfied every condition contained in this Agreement and the other Loan Documents to which it is a party to be observed, performed, or satisfied by it, and that such officer has not obtained any knowledge of any Default or Event of Default except as specified in such Compliance Certificate; and

(iv) attaching confirmation that there have been no changes to the information contained in each of the Security Agreement Schedules delivered on the Closing Date or the date of the most recently updated Security Agreement Schedules delivered pursuant to this clause (iii) and/or attaching an updated Security Agreement Schedules identifying any such changes to the information contained therein;

(c) Promptly, and in any event within 30 days thereafter, to the extent not previously disclosed to the Lender, a description of any change in the jurisdiction of organization of any Loan Party;

(d) [Reserved].;

(e) Promptly after the same are sent, copies of any statement or report sent to any holder of debt securities of any Loan Party pursuant to the terms of any indenture, loan agreement, or similar agreement and not otherwise required to be furnished to the Lender pursuant to any other clause of this Section;

(f) Promptly upon receipt of the same, copies of all notices, requests, and other documents received by any Loan Party under or pursuant to any Material Contract or instrument, indenture, or loan agreement regarding or related to any breach or default by any party thereto or any other event that could materially impair the value of the interests or the rights of any Loan Party or otherwise have a Material Adverse Effect, and such information and reports regarding Material Contracts and such instruments, indentures, and loan agreements as the Lender may request from time to time; and

(g) As soon as available, and in any event within 30 days after the end of each fiscal year, a report summarizing the insurance coverage (specifying type, amount, and carrier) in effect for the Borrowers and containing such additional information as the Lender may reasonably specify; and

(h) Such other information respecting the business, condition (financial or otherwise), operations, performance, properties, or prospects of any Loan Party as the Lender may from time to time reasonably request.

Section 6.03 Notices.

(a) Promptly, and in any event within three (3) Business Days, give notice to the Lender of:

(i) The occurrence of any Default or Event of Default;

(ii) Any (i) default or event of default under any Material Contract of any Borrower or (ii) litigation, investigation, or proceeding that may exist at any time between any Loan Party and any Governmental Authority other than, in respect of clause (ii), routine inquiries by any Governmental Authority;

(iii) Any litigation or proceeding affecting any Loan Party (i) in which the amount involved is at least $250,000 and not covered in full by insurance, or (ii) which relates to any Loan Document;

(iv) The occurrence of any Environmental Action against or of any noncompliance by any Loan Party with any Environmental Law or relevant permit;

(v) Any loss, damage or destruction in excess of $1,000,000 of any of the Collateral to the extent not covered by insurance;

(vi) Any notices of default that any Borrower receives or delivers in connection with any real property leased by a Borrower that is subject to a Collateral Access Agreement; and

(vii) Any development or event that has had or would reasonably be expected to have a Material Adverse Effect.

(b) Promptly give notice to Lender of, and in any event within ten (10) Business Days any Borrower or any of its ERISA Affiliates obtaining actual knowledge, of:

(i) the occurrence of any Reportable Event with respect to any Employee Plan, a failure to make any required contribution to an Employee Plan, the creation of any Lien in favor of the PBGC or any Multiemployer Plan; or

(ii) the institution of proceedings or the taking of any other action by the PBGC or any Borrower or any ERISA Affiliate or any Multiemployer Plan with respect to the withdrawal from, or the termination, Reorganization, or Insolvency of, any Employee Plan.

Each notice pursuant to this Section 6.03 shall be accompanied by a statement of a Responsible Officer of the Administrative Borrower setting forth reasonable details, as available, of the occurrence referred to therein.

Section 6.04 Maintenance of Existence; Compliance.

(a) (i) Preserve, renew, and maintain in full force and effect its corporate or organizational existence and (ii) take all reasonable action to maintain all rights, licenses, privileges, and franchises necessary for the conduct of its business (including each Required License), except, in each case, as otherwise permitted under this Agreement.

(b) Comply in all material respects with all Legal Requirements, and the terms of each Required License. Ensure that all products designed, developed, investigated, manufactured, prepared, assembled, packaged, tested, labeled, distributed, promoted, sold or marketed by or on behalf of any Borrower or any of its direct or indirect Subsidiaries that are subject to the jurisdiction of any Governmental Authority shall be designed, developed, investigated, manufactured, prepared, assembled, packaged, tested, labeled, distributed, promoted, sold and marketed in compliance in all material respects with all Legal Requirements.

(c) Pay in full before delinquency or before the expiration of any extension period, all Taxes imposed upon any Borrower or any of its Subsidiaries or any property of any Borrower or any of its Subsidiaries, except 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.

Section 6.05 **Performance of Material Contracts**. Perform and observe all the material terms and provisions of each Material Contract to be performed or observed by it, maintain each Material Contract in full force and effect, and enforce each such Material Contract in accordance with its terms.

Section 6.06 **Maintenance of Property; Insurance**.

(a) Maintain and preserve all of its property necessary in its business in good working order and condition, ordinary wear and tear excepted.

(b) Maintain insurance with respect to its property and business (including without limitation, comprehensive general liability, hazard, rent, worker's compensation, property and casualty, and, except with respect to dispensaries, business interruption insurance) with financially sound and reputable insurance companies that are not Affiliates of any Borrower, in such amounts and covering such risks as are usually insured against by similar companies engaged in the same or a similar business.

(c) All insurance policies covering the Collateral are to be made payable to the Collateral Agent for the benefit of the Secured Parties, 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 require to fully protect the Lender's 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 and the policies are to be premium prepaid, with (other than with respect to director and officer policies) the loss payable and additional insured endorsement in favor of the Collateral Agent for the benefit of the Secured Parties, 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. If any Borrower or any of its Subsidiaries fails to maintain such insurance, the Collateral Agent may arrange for such insurance, but at the Borrowers' 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 Borrower 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.

Section 6.07 **Inspection of Property; Books and Records; Discussions**.

(a) Keep proper books of records and accounts, in which full, true, and correct entries in conformity with GAAP and all Legal Requirements shall be made of all dealings and transactions and assets in relation to its business and activities.

(b) Permit the Lender and the Collateral Agent to visit and inspect any of its properties and examine and make abstracts from any of its books and records at any reasonable time, on reasonable notice, and as often as may reasonably be desired by the Lender or Collateral Agent, and to discuss its business operations, properties, and financial and other condition with its officers and employees and its independent certified public accountants; provided that any discussion with such independent certified public accountants shall only be in the presence (either live or telephonically) of a representative of the Borrowers.

(c) Promptly, and in any event within ten Business Days, provide such other information concerning the condition or operations (financial or otherwise) of any Borrower as the Lender may from time to time may reasonably request.

Section 6.08 **Environmental Laws**. Obtain, comply and maintain in all material respects, with all applicable Environmental Laws, and any and all licenses, approvals, notifications, registrations, or permits required by applicable Environmental Laws.

Section 6.09 **Use of Proceeds**. Use the proceeds of the Loans to finance the acquisition of assets of the Borrowers in the ordinary course of business, including the purchase of inventory and equipment, to finance Capital Expenditures of the Borrowers, and for general corporate purposes of the Borrowers, in each case to the extent not prohibited under any Legal Requirement or the Loan Documents.

Section 6.10 **Additional Borrowers**. With respect to any new Subsidiary created or acquired after the Closing Date by any Borrower, the Borrowers shall cause such Subsidiary to, promptly, and in any event within 30 days of the creation or acquisition of such Subsidiary:

(a) execute and deliver to the Lender, a Joinder Agreement, pursuant to which such Subsidiary shall be made a party to this Agreement as a Borrower;

(b) execute and deliver to the Collateral Agent, a joinder to the Security Agreement, as provided in the Security Agreement, together with such documents as may be required for such Subsidiary to comply with the Security Agreement, including updated Security Agreement Schedules;

(c) execute and deliver to the Lender (as applicable), such other agreements, instruments, approvals or other documents reasonably requested by the Lender (including Collateral Access Agreements in the same manner as required by Section 6.13) in order to create, perfect, establish the first priority of or otherwise protect any Lien purported to be covered by the Security Agreement 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 (other than to the extent such property or assets are excluded pursuant to the terms of the Security Agreement), including the filing of UCC-1 financing statements in such jurisdictions as may be required by the Security Agreement or by law or as may be requested by the Lender or Collateral Agent;

(d) execute, as applicable, and deliver to the Lender those documents and other deliverables required of the Borrowers at the Closing Date pursuant to Section 4.01(a) and Section 4.01(d); and

(e) if requested by the Lender, deliver to the Lender legal opinions relating to the matters described above, which opinions shall be in form and substance, and from counsel, reasonably satisfactory to the Lender.

Section 6.11 **Financial Covenants**. So long as any principal of or interest on the Loan or any other Obligation (whether or not due) shall remain unpaid, the Borrowers shall cause the following to be true:

(a) **Liquidity**. On the last day of each calendar quarter have at least Three Million Dollars ($3,000,000.00), in the aggregate, on deposit in Deposit Accounts that are subject to Deposit Account Control Agreements (as defined in the Security Agreement).

(b) **Fixed Charge Coverage Ratio**. Commencing on the one-year anniversary of the Closing Date and thereafter so long as any principal of or interest on the Loan or any other Obligation (whether or not due) shall remain unpaid, maintain a Consolidated Fixed Charge Coverage Ratio as of the last day of each Reference Period of no less than 1.3.

Section 6.12 **Lender Meetings**. Upon the request of the Lender (which request, in the first calendar year following the Closing Date, so long as no Event of Default shall have occurred and be continuing, shall not be made more than once during each calendar quarter and thereafter shall not be made more than once during each calendar year), participate in a meeting with the Lender telephonically, virtually, or at the Borrowers' corporate offices (or at such other location as may be agreed to by the Administrative Borrower and the Lender) at such time as may be agreed to by the Administrative Borrower and the Lender.

Section 6.13 **Landlord Collateral Access Agreements**. At any time any Collateral with a book value in excess of $100,000 (when aggregated with all other Collateral at the same location) is located on any real property of a Borrower (whether such real property is now existing or acquired after the Closing Date) which is not owned by a Borrower, or is stored on the premises of a bailee, warehouseman, or similar party, obtain a Collateral Access Agreement in form and substance reasonably satisfactory to the Collateral Agent.

Section 6.14 **Anti-Corruption Laws**.

(a) Maintain policies and procedures designed to promote compliance by each Borrower and their respective directors, officers, employees and agents with all applicable Anti-Corruption Laws.

(b) Comply in all material respects with all applicable Anti-Corruption Laws.

(c) Neither Borrowers nor, to the actual knowledge after due inquiry of any Borrower, any director, officer, employee or any Person acting on behalf of any Borrower will engage in any activity that would breach any Anti-Corruption Law.

(d) Promptly notify the Lender of any action, suit or investigations by any court or Governmental Authority in relation to an alleged breach of the Anti-Corruption Law.

(e) Not directly or indirectly use, lend or contribute the proceeds of any Loan for any purpose that would breach any Anti-Corruption Law.

(f) In order to comply with the "***know your customer/borrower***" requirements of the Anti-Corruption Laws, promptly provide to the Lender upon its reasonable request from time to time (A) information relating to individuals and entities affiliated with any Borrower that maintain a business relationship with the Lender, and (B) such identifying information and documentation as may be available for such Borrower in order to enable the Lender to comply with Anti-Corruption Laws.

Section 6.15 **Restricted Cash Reserve**. Upon the Closing Date, the Borrowers shall set aside and maintain, an amount of Restricted Cash equal to two (2) quarters of interest payments due to Lender under this Agreement (the "***Restricted Cash Reserve***"). The Borrowers shall use the Restricted Cash Reserve to pay the first two (2) interest payments due to Lender under this Agreement, as and when due in accordance with this Agreement. Immediately following the payment of the second interest payment to the Lender, Borrowers shall have no obligation to replenish or maintain the Restricted Cash Reserve and such requirement shall be deemed satisfied in full.

Section 6.16 **Further Assurances**. Promptly upon the request of the Lender:

(a) Correct any material defect or error that may be discovered in any Loan Document or in the execution, acknowledgement, filing, or recordation thereof.

(b) Do, execute, acknowledge, deliver, record, re-record, file, re-file, register, and re-register any and all such further acts, deeds, conveyances, pledge agreements, mortgages, deeds of trust, trust deeds, assignments, financing statements and continuations thereof, termination statements, notices of assignments, transfers, certificates, assurances, and other instruments as the Lender may require from time to time in order to:

(i) carry out the purposes of the Loan Documents;

(ii) to the fullest extent permitted by applicable law, subject any Borrower's properties, assets, rights, or interests to the Liens now or hereafter intended to be covered by the Security Agreement and the other Loan Documents;

(iii) perfect and maintain the validity, effectiveness and priority of the Liens intended to be created under the Security Agreement and the other Loan Documents; and

(iv) assure, convey, grant, assign, transfer, preserve, protect, and confirm to the Lender, the rights granted or now or hereafter intended to be granted to the Lender under any Loan Document or under any other instruments executed in connection with any Loan Document to which any Loan Party is or is to be a party.

ARTICLE VII
NEGATIVE COVENANTS

So long as any Loans or any other amounts payable to the Lender hereunder or under any other Loan Document have not been paid in full, the Borrowers shall not, and shall not permit their Subsidiaries to:

Section 7.01 **Limitation on Debt.** Create, incur, assume, permit to exist, or otherwise become liable with respect to any Debt, except:

(a) Debt of any Borrower existing or arising under this Agreement and any other Loan Document;

(b) Debt of any Borrower owed to another Borrower;

(c) Debt incurred to finance the acquisition, construction, or improvement of fixed or capital assets (including Capital Lease Obligations) secured by a Lien permitted under Section 7.02(g); provided that (i) such Debt is incurred prior to or within 180 days after such acquisition or the completion of such construction or improvement, (ii) such Debt when incurred shall not exceed the purchase price or the construction costs of the asset financed, and (iii) the aggregate principal amount of Debt permitted by this Section 7.01(c), shall not exceed $500,000 in the aggregate at any time outstanding;

(d) Debt existing on the date hereof and listed on Schedule 7.1(d) and any refinancings, modifications, renewals, and extensions of any such Debt; provided that (i) the principal amount of such Debt shall not be increased from the principal amount outstanding at the time of such refinancing, modification, renewal, or extension, and (ii) the maturity of such Debt shall not be shortened, and (iii) the terms relating to collateral (if any) and subordination (if any) of any such refinancing, modification, renewing, or extending Debt, and of any agreement entered into and of any instrument issued in connection therewith, are not less favorable in any material respect to the Borrowers or the Lender than the terms of any agreement or instrument governing the Debt being so refinanced, modified, renewed, or extended;

(e) Debt of any Person that becomes a Borrower after the date hereof; provided that (i) such Debt exists at the time such Person becomes a Borrower and is not created in contemplation of, or in connection with, such Person becoming a Borrower, and (ii) the aggregate principal amount of Debt permitted by this Section 7.01(e) shall not exceed $500,000 at any time outstanding;

(f) Guaranty Obligations incurred in the ordinary course of business by any Borrower of obligations of any other Borrower;

(g) current liabilities incurred in the ordinary course of business including as incurred through the obtaining of credit and for credit on an open account basis customarily extended and in fact extended in connection with normal purchases of goods and services (excluding for the avoidance of doubt merchant cash advances or any sale of receivables);

(h) Debt incurred by any Borrower arising from agreements providing for earn-outs, indemnification or from guaranties or letters of credit, surety bonds, performance bonds or other contingent obligations securing the performance of such Borrower pursuant to such agreements, permitted dispositions of any business, assets of a Borrower or any of its Subsidiaries;

(i) Debt in respect of netting services, overdraft protections and otherwise in connection with deposit accounts;

(j) non-recourse Debt incurred by a Borrower to finance the payment of insurance premiums of that Borrower;

(k) Debt to any Person providing workers' compensation, health, or disability insurance or other employee benefits or property, casualty, or liability insurance to the Loan Parties incurred in connection with that Person's providing those benefits or that insurance pursuant to customary reimbursement or indemnification obligations to that Person;

(l) Debt of any Borrower owed to an Affiliate of such Borrower incurred in the ordinary course of business consistent with such Borrower's historical Affiliate transactions; and

(m) Other Debt of the Borrowers in an aggregate principal amount not to exceed $1,000,000 at any time; provided that none of such Debt may be secured.

Section 7.02 **Limitation on Liens**. Create, incur, assume, or permit to exist any Lien on any property or assets (including Equity Interests of any Borrower or any of a Borrower) now owned or hereafter acquired by it or on any income or rights in respect of any thereof, except:

(a) Liens created pursuant to or arising under any Loan Document;

(b) Liens imposed by law for taxes, assessments, or governmental charges not yet due or which are being contested in good faith and by appropriate proceedings diligently conducted if adequate reserves with respect thereto are maintained in accordance with GAAP on the books of the applicable Person;

(c) Carriers', warehousemen's, mechanics', materialmen's, repairmen's, and other similar Liens imposed by law, arising in the ordinary course of business, and securing obligations that are not overdue by more than 90 days or that are being contested in good faith and by appropriate proceedings diligently conducted;

(d) Liens arising solely by virtue of any statutory or common law provision relating to banker's liens rights or set-off or similar rights;

(e) Pledges and deposits and other Liens (i) made in the ordinary course of business in compliance with workers' compensation, unemployment insurance, and other social security laws or regulations and (ii) 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 a Borrower or another Borrower;

(f) Liens (including deposits) to secure the performance of bids, tenders, trade contracts, leases, statutory obligations, surety and appeal bonds, performance bonds, and other obligations of like nature, in each case in the ordinary course of business;

(g) Easements, zoning restrictions, rights-of-way, minor defects or irregularities in title, and similar encumbrances on real property imposed by law or arising in the ordinary course of business which, in the aggregate, are not material in amount and which do not materially detract from the value of the affected property or interfere materially with the ordinary conduct of business of a Borrower or any of its Subsidiaries;

(h) Liens on fixed or capital assets acquired, constructed, or improved by any Borrower after the date hereof; provided that (i) such security interests secure Debt permitted by Section 7.01(c), (ii) such Liens and the Debt secured thereby are incurred prior to or within 180 days of such acquisition or the completion of such construction or improvement, (iii) such Liens shall not apply to any other property or assets of any Borrower, and (iv) the amount of Debt initially secured thereby is not more than 100% of the purchase price or construction or improvement cost of such fixed or capital asset;

(i) Liens in existence as of the date hereof which are listed on Schedule 7.02(i), securing Debt permitted by Section 7.01(d), and any renewals, modifications, replacements, and extensions of such Liens; provided that (i) the aggregate principal amount of the Debt secured by such Liens does not increase from that amount outstanding at the time of any such renewal, modification, replacement, or extension and (ii) any such renewal, modification, replacement, or extension does not encumber any additional assets or properties of any Borrower;

(j) To the extent such transactions create a Lien thereunder, liens in favor of lessors securing operating leases or sale and leaseback transactions, in each case to the extent such operating leases or sale and leaseback transactions are permitted under the terms of this Agreement;

(k) Any Lien existing on any property or asset prior to the acquisition thereof by the Borrower or any Lien existing on any property or asset of any Person that becomes a Subsidiary of the Borrower at the time such Person becomes a Subsidiary of the Borrower; provided that (i) such Lien is not created in contemplation of, or in connection with, such acquisition or such Person becoming a Borrower, as the case may be, (ii) such Lien shall apply to the same category, type, and scope of assets, and (iii) such Lien shall secure only those obligations which it secures on the date of such acquisition or the date such Person becomes a Borrower, as the case may be, and any refinancing, refunding, extension, renewal, or replacement thereof that does not increase the outstanding principal amount thereof plus any accrued interest, premium, fee, and reasonable and documented out-of-pocket expenses payable in connection with any such refinancing, refunding, extension, renewal, or replacement;

(l) Judgment or other similar Liens in connection with legal proceedings in an aggregate principal amount up to $500,000 which, whether immediately or with the passage of time (i) do not give rise to an Event of Default under Section 8.01(g) and (ii) are being contested in good faith by appropriate proceedings diligently conducted;

(m) Liens upon assets of the Borrowers or any of their Subsidiaries subject to Capital Lease Obligations to the extent such Capital Lease Obligations are permitted by Section 7.01; provided that (i) such Liens only serve to secure the payment of Debt arising under such Capital Lease Obligation and (ii) the Lien encumbering the asset giving rise to the Capital Lease Obligation does not encumber any other asset of the Borrower or any of its Subsidiaries;

(n) Liens arising from precautionary Uniform Commercial Code financing statement filings solely as a precautionary measure in connection with operating leases or consignment of goods;

(o) non-exclusive licenses of patents, trademarks and other intellectual property rights granted by any Loan Parties in the ordinary course of business and not interfering in any respect with the ordinary conduct of the business of the Loan Parties; and

(p) Any other Liens on property not otherwise permitted by this Section 7.02 so long as neither (i) the aggregate principal amount of the Debt and other obligations secured thereby nor (ii) the aggregate fair market value (determined as of the date such Lien is incurred) of the assets subject thereto exceeds $500,000 at any time outstanding.

Section 7.03 Mergers; Nature of Business.

(a) Merge into or consolidate with any other Person or permit any other Person to merge into or consolidate with it, or liquidate or dissolve, except that, any Borrower may merge into any other Borrower.

(b) Engage in any business other than businesses of the type conducted by the Borrowers on the date hereof and businesses reasonably related thereto.

Section 7.04 Limitation on Investments. Make any advance, loan, extension of credit (by way of guaranty or otherwise), or capital contribution to, or purchase, hold, or acquire any Equity Interests, bonds, notes, debentures, or other debt securities of, or any assets constituting a business unit of, or make any other investment in, any Person (all of the foregoing, "***Investments***"), except:

(a) Investments in cash and Cash Equivalents;

(b) Investments existing on the date hereof and listed on Schedule 7.04(b);

(c) Guarantees permitted by Section 7.01;

(d) Loans and advances to officers, directors, or employees of any Borrower in the ordinary course of business (including for travel, entertainment, and relocation expenses (but not to purchase or repurchase Equity Interests) in an aggregate amount not to exceed $200,000 at any time outstanding;

(e) Investments by any Borrower of, in, or to another Borrower or an Affiliate of Borrower; provided, that such Investments in an Affiliate of a Borrower are incurred in such Borrower's ordinary course of business;

(f) Extensions of trade credit in the ordinary course of business (including any instrument evidencing the same and any instrument, security, or other asset acquired through bona fide collection efforts with respect to the same);

(g) Investments constituting Permitted Acquisitions;

(h) the ownership by a Borrower or any of its Subsidiaries of the equity interests of any of their respective Subsidiaries, including Subsidiaries established or created after the Closing Date in compliance with all applicable terms of this Agreement;

(i) Investments (i) in any securities received in satisfaction or partial satisfaction thereof from financially troubled account debtors, (ii) consisting of deposits, prepayments and other credits to suppliers made in the ordinary course of business consistent with the past practices of the Borrower and its Subsidiaries and (iii) capital stock of trade creditors or customers that are received in settlement of bona fide disputes;

(j) Investments consisting of Restricted Payments permitted to be made by Section 7.07;

(k) prepaid expenses and deposits for lease obligations or in connection with the provision of goods or services, in each case incurred in the ordinary course of business;

(l) accounts created and trade debt extended in the ordinary course of business; and

(m) In addition to Investments otherwise expressly permitted by this Section 7.04, Investments by the Borrowers in an aggregate amount (valued at cost) not to exceed $500,000 during the term of this Agreement.

Section 7.05 **Limitation on Dispositions**. Dispose of any of its property, whether now owned or hereafter acquired, or issue or sell any Equity Interests to any Person, except:

(a) The sale or Disposition of machinery and equipment no longer used or useful in the business of any Borrower;

(b) The Disposition of obsolete or worn-out property in the ordinary course of business;

(c) The sale of inventory and immaterial assets, in each case in the ordinary course of business;

(d) The sale or issuance of any Borrower's Equity Interests to any Loan Party;

(e) Dispositions resulting from any taking or condemnation of any Property of the Borrower or any Subsidiary by any Governmental Authority or any assets subject to a casualty;

(f) Any Disposition in connection with a sale and leaseback permitted pursuant to Section 7.06;

(g) Dispositions of other property in any fiscal year of the Borrowers, so long as such property, together with all other property Disposed of during such fiscal year, shall have a fair market value not exceeding $500,000;

(h) the Purplebee's Disposition;

(i) licensing, on a non-exclusive basis, intellectual property rights in the ordinary course of business;

(j) leasing or subleasing assets in the ordinary course of business;

(k) (i) the lapse of intellectual property of a Borrower to the extent not economically desirable in the conduct of its business or (ii) the abandonment of intellectual property rights in the ordinary course of business so long as such lapse is not adverse to the interests of the Lenders;

(l) any involuntary loss, damage or destruction of property;

(m) Dispositions of cash and cash equivalents in the ordinary course of business;

(n) the sale or discount, in each case without recourse and in the ordinary course of business, by any Loan Party of accounts receivable or notes receivable arising in the ordinary course of business, but only in connection with the compromise or collection thereof or in connection with the bankruptcy or reorganization of the applicable account debtors and dispositions of any securities received in any such bankruptcy or reorganization;

(o) Dispositions of any property or assets to an Affiliate of any Borrower; provided, that such Disposition to an Affiliate of a Borrower occur in such Borrower's ordinary course of business; and

(p) settlement of disputes.

Section 7.06 **Limitation on Sales and Leasebacks**. Enter into any arrangement with any Person whereby a Borrower shall sell or otherwise transfer any property owned by such Borrower to (a) such Person and thereafter rent or lease such Property from such Person or (b) any other Person to whom funds have been or are to be advanced by such Person on the security of such Property or rental obligations of such Borrower.

Section 7.07 **Limitation on Restricted Payments**. Make, either directly or indirectly, whether in cash, property, or in obligations of any Borrower, (w) any payment on, or declare or pay any dividend with respect to, or make any payment on account of, any Equity Interests of any Borrower, whether now or hereafter outstanding; (x) 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 Borrower, now or hereafter outstanding; (y) 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 Borrower, now or hereafter outstanding; or (z) any payment of any management, consulting, monitoring or advisory fees or any other fees or expenses (including the reimbursement thereof by any Borrower) pursuant to any management, consulting, monitoring, advisory or other services agreement to any holder of any Equity Interests of any Borrower or any of their Affiliates (collectively, "***Restricted Payments***"), except that:

(a) The Borrowers may declare and pay dividends and make other distributions and payments with respect to its Equity Interests if payable solely in its Equity Interests;

(b) The Borrowers may purchase or otherwise acquire Equity Interests in any Subsidiary of the Borrowers using additional shares of their Equity Interests;

(c) The Borrowers may (i) make repurchases or redemptions of their Equity Interests (x) in connection with the exercise of stock options or restricted stock awards if such Equity Interests represent all or a portion of the exercise price thereof or (y) deemed to occur upon the withholding of a portion of such Equity Interests issued to directors, officers, or employees of the Borrower or any Subsidiary under any stock option plan or other benefit plan or agreement for directors, officers, and employees of the Borrower and the Subsidiaries to cover withholding tax obligations of such Persons in respect of such issuance, and (ii) make other Restricted Payments, not exceeding $100,000 in the aggregate for any fiscal year, pursuant to and in accordance with stock option plans or other benefit plans or agreements for directors, officers, and employees of the Borrower and the Subsidiaries;

(d) The Borrowers may make Restricted Payments (i) to pay franchise taxes and other fees, Taxes (other than income Taxes), and expenses required to maintain its corporate existence, (ii) to pay federal and state income Taxes then due and owing by its equity holders, and (iii) to pay customary salary, bonus, severance and other benefits payable to officers, directors and employees of a Borrower to the extent such salaries, bonuses, severance payments and other benefits are attributable to the ownership or operation of such Borrower;

(e) The Borrower may make Restricted Payments to an Affiliate of Borrower to repay, in whole or in party, any Debt permitted pursuant to Section 7.01(l); and

(f) So long as no Default or Event of Default has occurred and is continuing or would result therefrom, the Borrower may make other Restricted Payments not otherwise permitted by this Section 7.07 in an amount not to exceed $500,000 during the term of this Agreement.

Section 7.08 Limitation on Prepayments of Debt and Amendments of Debt Instruments.

(a) Make or offer to make any optional or voluntary payment or prepayment on or redemption, defeasance, or purchase of any amounts (whether principal or interest) payable under any Debt which is subordinated in right of payment or collection to the obligations of the Borrowers pursuant to the Loan Documents; provided, that the Borrower's shall be permitted to make any optional or voluntary payment or prepayment on or redemption, defeasance, or purchase of any amounts (whether principal or interest) payable under any Debt permitted pursuant to Section 7.01(l).

(b) Amend, modify, waive, or otherwise change, or consent or agree to any amendment, modification, waiver, or other change to any of the terms of any Debt that is subordinated in right of payment or collection to the obligations of the Borrowers pursuant to the Loan Documents, other than any amendment, modification, waiver, or other change which (i) would extend the maturity or reduce the amount of any payment of principal thereof or reduce the rate or extend any date for payment of interest thereon and (ii) does not involve the payment of a consent fee.

Section 7.09 **Limitation on Transactions With Affiliates**. Excluding any transaction between a Borrower and an Affiliate consistent with such Borrower's ordinary course intercompany cash management procedures and as otherwise permitted by this Article VII, 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), or the payment of any management, advisory, or similar fees, with any Affiliate unless such transaction is:

(a) Otherwise permitted by the terms of this Agreement;

(b) In the ordinary course of business of the relevant Borrower(s);

(c) On fair and reasonable terms no less favorable to the relevant Borrower(s) than those that would have been obtained in a comparable transaction on an arm's length basis from an unrelated Person; and

(d) that are disclosed in reasonable detail to the Lender prior to the consummation thereof, if such transaction(s) involve one or more payments by the Borrowers in excess of $250,000 for any single transaction or series of related transactions.

Section 7.10 **Limitation on Restrictive Agreements**. Enter into or permit to exist or become effective any consensual encumbrance or restriction on the ability of any Subsidiary of any Borrower to:

(a) Make Restricted Payments in respect of any Equity Interests of such Subsidiary held by, or pay any Debt owed to, the Borrower or any other Subsidiary of the Borrower;

(b) Make loans or advances to, or Investments in, the other Borrowers or any other Subsidiary of any Borrower; and

(c) Transfer any of its assets to another Borrower or any other Subsidiary of a Borrower, except for such encumbrances or restrictions (i) existing under the Loan Documents and (ii) with respect to a Subsidiary imposed pursuant to an agreement that has been entered into in connection with the Disposition of all or substantially all of the Equity Interests or assets of such Subsidiary.

Section 7.11 **Foreign Subsidiaries**. Create, maintain, or hold any Equity Securities in any Foreign Subsidiary.

Section 7.12 **Limitation on Amendments of Material Contracts and Organizational Documents**. Amend, supplement, or otherwise modify (pursuant to a waiver or otherwise):

(a) a Borrower's Organizational Documents; or

(b) The terms and conditions of any Material Contract;

in each case, in any respect materially adverse to the interests of the Lender, without the Lender's prior written consent.

ARTICLE VIII
EVENTS OF DEFAULT AND REMEDIES

Section 8.01 **Events of Default**. Each of the following events or conditions shall constitute an "***Event of Default***" (whether it shall be voluntary or involuntary or come about or be affected by any Legal Requirement or otherwise):

(a) the Borrowers fail to pay (x) any interest on any Loan or any Collateral Agent Advance, or any fee or other amount payable hereunder or under any other Loan Document when due and such failure remains unremedied for a period of five (5) days or (y) any principal of any Loan when due, whether at stated maturity, by acceleration, by mandatory prepayment, or otherwise;

(b) any representation, warranty, certification, or other statement of fact made or deemed made by or on behalf of any Loan Party herein or in any other Loan Document or any amendment or modification hereof or thereof or waiver hereunder or thereunder or in any certificate, document, report, financial statement, or other document furnished by or on behalf of any Loan Party under or in connection with this Agreement or any other Loan Document, proves to have been false or misleading in any material respect (or in any respect if such representation, warranty, certification or other statement of fact is qualified or modified as to materiality or material adverse effect or a similar materiality limitation in the text thereof) on or as of the date made or deemed made;

(c) any (i) Borrower fails to perform or observe any covenant, term, condition, or agreement contained in Section 6.03, Section 6.04(a), Section 6.09, Section 6.10, Section 6.11, Section 6.14, or ARTICLE VII or (ii) Borrower fails to perform or observe any covenant, term, condition, or agreement contained in Section 6.01 or Section 6.02, and such failure, if capable of being remedied, shall remain unremedied for 10 Business Days;

(d) any Borrower fails to perform or observe any other covenant, term, condition, or agreement contained in this Agreement or any other Loan Document (other than as provided in subsections (a) through (c) of this Section 8.01) and such failure continues unremedied for a period of 30 days after written notice to the Administrative Borrower from the Lender;

(e) Any Loan Party:

(i) fails to pay any principal or interest in respect of any Debt (including any Guaranty Obligation, but excluding any Debt outstanding under this Agreement) when due and such failure continues after the applicable grace period, if any, specified in the agreement or instrument relating to such Debt; or

(ii) fails to perform or observe any other covenant, term, condition, or agreement relating to any such Debt or contained in any instrument or agreement evidencing or relating thereto, or any other event occurs or condition exists, the effect of which failure or other event or condition causes the holder or beneficiary of such Debt (or a trustee or agent on behalf of such holder or beneficiary), with the giving of notice, if required, to declare such Debt to become due prior to its stated maturity (or, in the case of any such Debt constituting a Guaranty Obligation, to become payable); or any such Debt is declared to be due and payable, or required to be prepaid or redeemed (other than by a regularly scheduled required prepayment or redemption or as a mandatory prepayment), purchased, or defeased, or an offer to prepay, redeem, purchase, or defease such Debt shall be required to be made, in each case prior to the stated maturity thereof;

provided that, a default, event, or condition described in clause (i) or (ii) of this subsection (e) shall not at any time constitute an Event of Default unless, at such time, one or more defaults, events, or conditions of the type described in clauses (i) and (ii) of this subsection (e) has occurred and is continuing with respect to Debt the outstanding principal amount of which exceeds in the aggregate $1,000,000;

(f)

(i) Any Loan Party (x) commences any case, proceeding, or other action under any existing or future Debtor Relief Law, seeking (A) to have an order for relief entered with respect to it, or (B) to adjudicate it as bankrupt or insolvent, or (C) reorganization, arrangement, adjustment, winding-up, liquidation, dissolution, composition, or other relief with respect to it or its debts, or (D) appointment of a receiver, trustee, custodian, conservator, or other similar official for it or for all or any substantial part of its assets or (y) makes a general assignment for the benefit of its creditors;

(ii) there is commenced against any Loan Party in a court of competent jurisdiction any case, proceeding, or other action of a nature referred to in clause (i) above which (x) results in the entry of an order for relief or any such adjudication or appointment or (y) remains undismissed, undischarged, unstayed, or unbonded for 30 days;

(iii) there is commenced against any Loan Party any case, proceeding, or other action seeking issuance of a warrant of attachment, execution, or similar process against all or any substantial part of its assets which results in the entry of an order for any such relief which has not been vacated, discharged, stayed, or bonded pending appeal within 30 days from the entry thereof;

(iv) any Loan Party is generally not, or is unable to, or admits in writing its inability to, pay its debts as they become due; or

(v) any Loan Party takes any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the acts set forth in clause (i), (ii), or (iii) above;

(g) any Borrower or any Subsidiary of a Borrower 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 (other than as a result of any change arising in connection with global health conditions (including the presence or spread of the virus SARS-Co-V-2 or the disease COVID-19 caused by such virus (as each of the virus and disease have been identified by the World Health Organization or any future strains or variations or mutations thereof))), all or any material part of its business for more than 15 days;

(h) any material damage to, or loss, theft or destruction of, any Collateral (not paid or fully covered by insurance as to which the relevant insurance company has been notified and has not denied coverage), or any strike, lockout, labor dispute, embargo, condemnation, act of God or public enemy, or other casualty which causes, for more than 30 consecutive days, the cessation or substantial curtailment of revenue producing activities at any facility of any Borrower;

(i) one or more judgments or decrees is entered against any Borrower by a court of competent jurisdiction involving, in the aggregate, a liability (not paid or fully covered by insurance as to which the relevant insurance company has been notified and has not denied coverage) in an amount in excess of $1,000,000 and all such judgments or decrees have not been vacated, discharged, stayed, or bonded pending appeal within 30 days from the entry thereof;

(j) the Security Agreement ceases for any reason to be valid, binding, and in full force and effect or any Lien created by the Security Agreement shall 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 Collateral Agent and the Lender on any Collateral purported to be covered thereby;

(k)

(i) any material provision of any Loan Document ceases for any reason to be valid, binding, and in full force and effect, other than as expressly permitted hereunder or thereunder;

(ii) any Loan Party contests in any manner the validity or enforceability of any provision of any Loan Document; or

(iii) any Loan Party denies that it has any or further liability or obligation under any provision of any Loan Document (other than as a result of repayment in full of the Obligations) or purports to revoke, terminate, or rescind any provision of any Loan Document;

(l) any Change of Control occurs with respect to any Borrower;

(m) any Borrower loses a Required License; and

(n) there occurs in the reasonable judgment of the Lender a Material Adverse Effect (other than as a result of any change arising in connection with global health conditions (including the presence or spread of the virus SARS-Co-V-2 or the disease COVID-19 caused by such virus (as each of the virus and disease have been identified by the World Health Organization or any future strains or variations or mutations thereof))).

Section 8.02 **Remedies Upon Event of Default**. If any Event of Default occurs and is continuing, then:

(a) if such event is an Event of Default specified in subsection (f) above with respect to any Borrower, the Loans (with accrued interest thereon) and all fees (including the Prepayment Fee) and all other amounts owing under this Agreement and the other Loan Documents shall immediately become due and payable;

(b) if such event is an Event of Default (other than an Event of Default under Section 8.01(f)), any or all of the following actions may be taken:

(i) the Lender may, by notice to the Administrative Borrower and Collateral Agent, declare the Loans (with accrued interest thereon) and all fees (including the Prepayment Fee) and all other amounts owing under this Agreement and the other Loan Documents to be due and payable forthwith, whereupon the same shall immediately become due and payable; and

(ii) the Lender may exercise all rights and remedies available to it under the Security Agreement and any other Loan Document.

ARTICLE IX
MISCELLANEOUS

Section 9.01 **Notices**. Notices to any party shall be in writing and shall be delivered personally, by certified mail return receipt requested, by nationally-recognized overnight delivery service, by facsimile, or email addressed to the parties at the addresses set forth below or otherwise designated in writing as set forth in this Section 9.01:

If to the Borrowers:

Mesa Organics Ltd.
c/o Medicine Man Technologies, Inc.
4880 Havana Street, Suite 201
Denver, CO 80239
Attention: General Counsel
E-mail: dan@schwazze.com

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

Brownstein Hyatt Farber Schreck, LLP
410 17th Street, Suite 2200
Denver, CO 80202
Attention: Adam J. Agron
Email: aagron@bhfs.com

If to the Lender:

SHWZ Altmore LLC
1751 Pinnacle Drive, Suite 1000
Tysons, VA 22102
Attention: Patrick Kim
Email: patrick@altmorecap.com

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

Offit Kurman, P.A.
7501 Wisconsin Ave., Suite 1000W
Bethesda, MD 20814
Attention: Brent Salmons
Email: bsalmons@offitkurman.com

If to the Collateral Agent:

GGG Partners, LLC
3155 Roswell Road NE, Suite 120
Atlanta, GA 30328
Attention Richard B. Gaudet
Email: rgaudet@gggmgt.com

Any communication hereunder will be deemed given and effective (a) when actually received, in the case of hand delivery, (b) the next Business Day in the case of an overnight delivery service, (c) three (3) Business Days in the case of certified mail return receipt requested, (d) when sent and received, as evidenced by a transmission report from sender's facsimile machine, in the case of facsimile transmission, and (e) on the date sent by email of a PDF document if sent before 5:00 pm local time of the recipient, and on the next Business Day if sent at or after 5:00 pm local time of the recipient, provided in such case that such sent email is kept on file (whether electronically or otherwise) by the sender and the sender does not receive a genuine automatically generated message from the recipient's email server that such email could not be delivered; provided, further that in the case of notices sent via email related to a Default or an Event of Default, a cure period or which are otherwise material, such email notice shall only be effective if the underlying notice contained in such email is sent the same day via overnight delivery service.

Section 9.02 Amendments and Waivers.

(a) No failure to exercise and no delay in exercising, on the part of the Lender or Collateral Agent, any right, remedy, power, or privilege hereunder or under the other Loan Documents shall operate 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. The rights, remedies, powers, and privileges herein provided are cumulative and not exclusive of any rights, remedies, powers, and privileges provided by law. No waiver of any provision of any Loan Document or consent to any departure by any Loan Party therefrom shall in any event be effective unless the same shall comply with paragraph (b) of this Section, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given.

(b) Neither this Agreement nor any other Loan Document nor any provision hereof or thereof may be waived, amended, or modified except (i) in the case of this Agreement, pursuant to an agreement or agreements in writing entered into by the Administrative Borrower, the Lender, and the Collateral Agent; or (ii) in the case of any other Loan Document, pursuant to an agreement or agreements in writing entered into by the Lender and the Loan Party or Loan Parties that are parties thereto.

Section 9.03 Expenses; Indemnity; Damage Waiver.

(a) The Borrowers shall pay, on demand:

(i) all reasonable and documented out-of-pocket expenses incurred by the Lender and its Affiliates, including the reasonable fees, charges, and disbursements of counsel for the Lender (including the allocated costs of internal counsel for the Lender) in connection with the preparation, negotiation, execution, delivery, and administration of the Loan Documents and any amendments, waivers, or other modifications of the provisions of any Loan Document (whether or not the transactions contemplated by the Loan Documents are consummated), provided that, upon the funding of the Closing Date Term Loan, the legal fees incurred prior to and in connection with the making of the Closing Date Term Loan shall be capped at $150,000.00 and the deposit of $45,000.00 previously delivered by the Borrowers to the Lender shall be credited against such legal fees; and

(ii) all expenses incurred by the Lender and/or Collateral Agent, including the reasonable fees, charges, and disbursements of any counsel for the Lender and Collateral Agent, (including the reasonable allocated costs for any internal counsel for the Lender or Collateral Agent), in connection with the enforcement or protection of its rights (i) in connection with the Loan Documents, including its rights under this Section 9.03 or (ii) in connection with the Loans issued under this Agreement, including all such out-of-pocket expenses incurred in connection with any restructuring, workout, or negotiations in respect of the Loan Documents or such Loans.

(b) The Borrowers agree to indemnify and hold harmless the Collateral Agent and Lender and each of its Related Parties (each, an "***Indemnified Party***") from and against, any and all claims, damages, losses, liabilities, other any Excluded Damages, and related expenses (including the reasonable fees, charges, and expenses of a single outside counsel for any Indemnified Party), incurred by any Indemnified Party or asserted against any Indemnified Party by any Person (including the Borrowers or any other Loan Party) other than such Indemnified Party and its Related Parties arising out of, in connection with, or by reason of:

(i) the execution or delivery of any Loan Document or any agreement or instrument contemplated in any Loan Document, the performance by the parties thereto of their respective obligations under any Loan Document, or the consummation of the transactions contemplated by the Loan Documents;

(ii) any Loan or the actual or proposed use of the proceeds therefrom;

(iii) any actual or alleged presence or release of Hazardous Materials on or from any property currently or formerly owned or operated by any Borrowers or any of their Subsidiaries, or any Environmental Liability related to any Borrower or any of their Subsidiaries in any way; or

(iv) any actual or prospective claim, investigation, litigation, or proceeding relating to any of the foregoing, whether based on contract, tort, or any other theory, whether brought by a third party or by any Borrowers or any other Loan Party, and regardless of whether any Indemnified Party is a party thereto;

provided that, such indemnity shall not be available to any Indemnified Party to the extent that such claims, damages, losses, liabilities, or related expenses (A) are determined by a court of competent jurisdiction by final and non-appealable judgment to have resulted from the gross negligence or willful misconduct of such Indemnified Party or (B) result from a claim brought by any Borrower or any other Loan Party against any Indemnified Party for breach in bad faith of such Indemnified Party's obligations under any Loan Document, if a court of competent jurisdiction has rendered a final and non-appealable judgment in favor of such Borrower or such Loan Party on such claim. This Section 9.03 shall only apply to Taxes that represent losses, claims, damages, or similar charges arising from a non-Tax claim.

(c) The Borrowers agree, to the fullest extent permitted by applicable law, not to assert, and hereby waives, any claim against any Indemnified Party, for Excluded Damages, as opposed to actual or direct damages, resulting from this Agreement or any other Loan Document or arising out of such Indemnified Party's activities in connection herewith or therewith (whether before or after the Closing Date).

(d) All amounts due under Section 9.03 shall be payable not later than 10 Business Days after demand is made for payment by the Lender.

(e) The Indemnified Parties agree that neither they nor any of their Subsidiaries will settle, compromise, or consent to the entry of any judgment in any pending or threatened claim, action, or proceeding in respect of which indemnification or contribution could be sought under Section 9.03 (whether or not any Indemnified Party is an actual or potential party to such claim, action, or proceeding) without the prior written consent of the applicable Borrower (whose consent will not be unreasonably withheld, conditioned or delayed).

(f) To the extent not precluded by a conflict of interest, the Indemnified Parties and the Borrowers, shall endeavor to work cooperatively to mitigate the legal and other expenses associated with pending or threatened claims, actions, or proceedings in respect of which indemnification or contribution could be sought under Section 9.03.

Section 9.04 Successors and Assigns.

(a) The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that the Borrowers may not assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of the Lender (and any attempted assignment or transfer by any Borrower without such consent shall be null and void). Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby and, to the extent expressly contemplated hereby, the Related Parties of the Lender) any legal or equitable right, remedy, or claim under or by reason of this Agreement.

(b) The Lender may, at any time, without the consent of any Borrower, assign to one or more Eligible Assignees (as defined below) all or a portion of its rights and obligations under this Agreement (including all or a portion of the Loans at the time owing to it). For purposes of this Agreement, "***Eligible Assignee***" means any Person other than a natural Person that is (i) an Affiliate of the Lender, (ii) a commercial bank, insurance company, investment or mutual fund, or other Person that is an "***accredited investor***" (as defined in Regulation D under the Securities Act), or (iii) a corporate entity that possesses financial sophistication and standing similar to that of the Lender. Subject to notification of an assignment, the assignee shall be a party hereto and, to the extent of the interest assigned, have the rights and obligations of the Lender under this Agreement, and the Lender shall, to the extent of the interest assigned, be released from its obligations under this Agreement (and, in the case of an assignment covering all of the Lender's rights and obligations under this Agreement, the Lender shall cease to be a party hereto but shall continue to be entitled to the benefits of Section 2.11 and Section 9.03). Each Borrower hereby agrees to execute any amendment and/or any other document that may be necessary to effectuate such an assignment, including an amendment to this Agreement to provide for multiple lenders and an administrative agent to act on behalf of such lenders. Any assignment or transfer by the Lender of rights or obligations under this Agreement that does not comply with this paragraph shall be treated for purposes of this Agreement as a sale by the Lender of a participation in such rights and obligations in accordance with paragraph (c) of this Section.

(c) The Lender may, at any time, without the consent of any Borrower, sell participations to one or more banks or other entities (each, a "***Participant***") in all or a portion of the Lender's rights and obligations under this Agreement (including all or a portion of the Loans owing to it); provided that (i) the Lender's obligations under this Agreement shall remain unchanged, (ii) the Lender shall remain solely responsible to the other parties hereto for the performance of such obligations, and (iii) each Borrower shall continue to deal solely and directly with the Lender in connection with the Lender's rights and obligations under this Agreement. each Borrower agrees that each Participant shall be entitled to the benefits of Section 2.11 to the same extent as if it were the Lender and had acquired its interest by assignment pursuant to paragraph (b) of this Section; provided that, such Participant (A) agrees to be subject to the provisions of Section 2.11 and Section 2.07 as if it were an assignee under paragraph (b) of this Section and (B) shall not be entitled to receive any greater payment under Section 2.11 with respect to any participation, than the Lender would have been entitled to receive, 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. The Lender shall, acting solely for this purpose as an 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 Loans or other obligations under the Loan Documents (the "***Participant Register***"); provided that, the Lender shall have no 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 the Loans or other obligations under any Loan Document) to any Person except to the extent that such disclosure is necessary to establish that any Loan 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 the Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary.

(d) To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 9.08 as though it were the Lender, as long as such Participant agrees to be subject to Section 2.07 as though it were the Lender.

Section 9.05 **Survival**. All covenants, agreements, representations, and warranties made by the Loan Parties in the Loan Documents and in the certificates or other instruments delivered in connection with or pursuant to this Agreement or any other Loan Document shall be considered to have been relied upon by the other parties hereto and shall survive the execution and delivery of the Loan Documents and the making of any Loans, regardless of any investigation made by any such other party or on its behalf and notwithstanding that the Lender may have notice or knowledge of any Event of Default or incorrect representation or warranty at the time any credit is extended hereunder, and shall continue in full force and effect as long as the principal of, or any accrued interest on, any Loan or any fee or any other amount payable under this Agreement is outstanding and unpaid. The provisions of Section 2.11, and ARTICLE IX shall survive and remain in full force and effect regardless of the consummation of the transactions contemplated hereby, the repayment of the Loans, or the termination of this Agreement or any provision hereof.

Section 9.06 **Integration; Effectiveness; Counterparts**.

(a) This Agreement, the other Loan Documents, the Fee Letters, and any other separate letter agreements with respect to fees payable to the Lender or Collateral Agent constitute the entire contract among the parties with respect to the subject matter hereof and supersede all previous agreements and understandings, oral or written, with respect to the subject matter hereof.

(b) Delivery of an executed counterpart of a signature page to this Agreement by facsimile or in electronic PDF format shall be effective as delivery of a manually executed counterpart of this Agreement. Each facsimile of any genuine signature shall be deemed enforceable to the same extent as an original signature. This Agreement and any amendments, waivers, consents, or supplements hereto may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. The words "***execution,***" "***signed,***" "***signature,***" and words of similar import in any Loan Document shall be deemed to include electronic or digital signatures or electronic records, each of which shall be of the same effect, validity, and enforceability as manually executed signatures or a paper-based recordkeeping system, as the case may be, to the extent and as provided for under applicable law, including the Electronic Signatures in Global and National Commerce Act of 2000 (15 USC § 7001 et seq.), the Uniform Electronic Transactions Act (UETA), or any state law based on the UETA, provided that notwithstanding anything contained herein to the contrary, the Lender is under no obligation to agree to accept electronic signatures in any form or in any format unless expressly agreed to by the Lender pursuant to procedures approved by it; and provided, further, the Lender reserves the right to require, at any time and at its sole discretion, the delivery of manually executed counterpart signature pages to this Agreement or any other Loan Document, and each Borrower agrees to promptly deliver such manually executed counterpart signature pages.

(c) Except as provided in Section 4.01, this Agreement shall become effective when it shall have been executed by the Lender and when the Lender shall have received a counterpart hereof executed by each Borrower and the Collateral Agent.

Section 9.07 **Severability.** If any term or provision of any Loan Document is invalid, illegal, or unenforceable in any jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other term or provision thereof or invalidate or render unenforceable such term or provision in any other jurisdiction. Upon such determination that any term or other provision is invalid, illegal, or unenforceable, the parties hereto shall negotiate in good faith to modify the applicable Loan Document 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 9.08 **Right of Setoff**. If an Event of Default shall have occurred and be continuing, the Lender and each of its Affiliates is hereby authorized at any time and from time to time, to the fullest extent permitted by law, and without prior notice to the Administrative Borrower, any such notice being expressly waived by the Administrative Borrower, to set off and appropriate and apply any and all deposits (general or special, time or demand, provisional or final, in whatever currency) at any time held and other obligations (in whatever currency) at any time owing by the Lender or Affiliate to or for the credit or the account of the Borrowers or any Loan Party against any and all of the obligations of the Borrowers now or hereafter existing under the Loan Documents to the Lender or its Affiliates, whether direct or indirect, absolute or contingent, matured or unmatured, and irrespective of whether or not the Lender or any Affiliate shall have made any demand under the Loan Documents and although such obligations of such Loan Party are owed to a branch, office, or Affiliate of the Lender different from the branch, office, or Affiliate holding such deposit or obligated on such indebtedness. The Lender agrees to notify the Administrative Borrower promptly after any such set off and appropriation and application; provided that the failure to give such notice shall not affect the validity of such set off and appropriation and application.

Section 9.09 **Governing Law; Jurisdiction; Consent to Service of Process**.

(a) This Agreement and the other Loan Documents and any claim, controversy, dispute, or cause of action (whether in contract or tort or otherwise) based upon, arising out of, or relating to this Agreement or any other Loan Document (except, as to any other Loan Document, as expressly set forth therein) and the transactions contemplated hereby and thereby shall be governed by, and construed in accordance with, the laws of the State of Delaware, without regard to conflicts of laws principles.

(b) Each Loan Party irrevocably and unconditionally agrees that it will not commence any action, litigation, or proceeding of any kind whatsoever, whether in law or equity, or whether in contract or tort or otherwise, against the Lender or any of its Related Parties in any way relating to this Agreement or any other Loan Document or the transactions contemplated hereby or thereby, in any forum other than the courts of the State of Delaware sitting in New Castle County, and of the United States District Court of the District of Delaware, and any appellate court from any thereof, and each of the parties hereto irrevocably and unconditionally submits to the exclusive jurisdiction of such courts and agrees that any such action, litigation, or proceeding may be brought in any such Delaware state court or, to the fullest extent permitted by applicable law, in such federal court. Each of the parties hereto agrees that a final judgment in any such action, litigation, 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 or in any other Loan Document shall affect any right that the Lender may otherwise have to bring any action or proceeding relating to this Agreement or any other Loan Document against any Loan Party or its properties in the courts of any jurisdiction.

(c) Each Loan Party irrevocably and unconditionally waives, to the fullest extent permitted by applicable law, any objection that it may now or hereafter have to the laying of venue of any action or proceeding arising out of or relating to this Agreement or any other Loan Document in any such court referred to in subsection (b) of this Section. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by applicable law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(d) Each Loan Party, Lender and Collateral Agent irrevocably consents to the service of process in the manner provided for notices in Section 9.01 and agrees that nothing herein will affect the right of any party hereto to serve process in any other manner permitted by applicable law.

Section 9.10 **Waiver of Jury Trial**. EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY WHETHER BASED ON CONTRACT, TORT, OR ANY OTHER THEORY. EACH PARTY HERETO (A) CERTIFIES THAT NO AGENT, ATTORNEY, REPRESENTATIVE, OR ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON WOULD NOT SEEK TO ENFORCE THE FOREGOING WAIVER IN THE EVENT OF LITIGATION AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

Section 9.11 **Headings.** The headings in this Agreement are for reference only and shall not affect the interpretation of this Agreement.

Section 9.12 **Confidentiality.**

(a) The Lender and the Collateral Agent agree to maintain the confidentiality of all non-public information received from any Borrower or any other Loan Party relating to a Loan Party or any of its Subsidiaries or their respective businesses; provided that, in the case of information received from any Borrower or any Loan Party after the date hereof, such information is clearly identified at the time of delivery as being confidential information (the "***Confidential Information***"), except that Confidential Information may be disclosed: (i) to its Affiliates and its Related Parties in connection with the administration of this Agreement and the preservation, exercise, or enforcement of the rights of the Lender under this Agreement (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Confidential Information and instructed to keep such Confidential Information confidential); (ii) to the extent required or requested by any regulatory authority purporting to have jurisdiction over such Person or its Related Parties (including any self-regulatory authority); (iii) to the extent required by any Legal Requirement or regulations or by any subpoena, court order, or similar legal process; (iv) in connection with the exercise of any remedies hereunder or under any other Loan Document or any suit, action, or proceeding relating to this Agreement or any other Loan Document or the enforcement of its rights hereunder or thereunder; (iv) to (x) any actual or potential assignee, transferee, or participant in connection with the assignment or transfer by the Lender of any Loans or any participations therein or (y) any actual or prospective party (or its Related Parties) to any swap, derivative, or other transaction under which payments are to be made by reference to any Borrower or any other Loan Party or any Subsidiary or any of their respective obligations, this Agreement or payments hereunder; provided that, any such potential assignee, transferee, participant, swap counterparty, or advisor is advised of, and agrees to be bound by, the provisions of this Section; (vi) with the consent of the Administrative Borrower; or (vii) to the extent such Confidential Information (x) becomes publicly available other than as a result of a breach of this Section, or (y) is available to the Lender on a non-confidential basis prior to disclosure by any Borrower, or (z) becomes available to the Lender or any of its Affiliates on a non-confidential basis from a source other than a Borrower or any other Loan Party.

(b) Any Person required to maintain the confidentiality of Confidential Information as provided in this Section shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Confidential Information as such Person would accord to its own confidential information.

Section 9.13 **Anti-Corruption Information.** The Lender hereby notifies each Loan Party that pursuant to the requirements of 31 C.F.R. § 1010.230 (the "***Beneficial Ownership Regulation***"), Lender may be 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 will allow the Lender to identify such Loan Party in accordance with the Beneficial Ownership Regulation, and each Borrower agrees to provide, or cause the other Loan Parties to provide, such information from time to time to the Lender.

Section 9.14 **Purplebee's Disposition**.

(a) The Borrowers shall have the right but not the obligation to complete the Purplebee's Disposition within two hundred and seventy (270) days of the Closing Date. No less than ten (10) Business Days prior to the proposed closing date for the Purplebee's Disposition (the "***Purplebee's Disposition Closing Date***"), the Borrowers shall provide the Lender and the Collateral Agent with copies of the Purplebee's Disposition Documentation and such documentation shall set forth in reasonable the Purplebee's Assets subject to the Purplebee's Disposition.

(b) The obligation of the Lender to complete the Purplebee's Disposition and the closing actions set forth in Section 9.14(c) is subject to the satisfaction or the waiver by the Lender of the following conditions precedent:

(i) The Lender shall be reasonably satisfied that all of the Purplebee's Assets have been transferred to an entity that will become a Borrower pursuant to the Purplebee's Disposition;

(ii) The Borrowers shall cause Purplebee's Holdco and each of its Subsidiaries, if any, to be joined as a Borrower hereunder pursuant to and subject to the requirements for joinder set forth in Section 6.10;

(iii) Each of the representations and warranties made by any Loan Party in or pursuant to the Loan Documents shall be true and correct in all material respects (or, as to any representation and warranty that is qualified by materiality or Material Adverse Effect, in all respects) on and as of the Purplebee's Disposition Closing Date;

(iv) No Default or Event of Default shall have occurred and be continuing on such date or after giving effect to the Purplebee's Disposition;

(v) The Lender shall have received true, complete copies of the Purplebee's Disposition Documents;

(vi) All governmental and third party approvals necessary in connection with the Purplebee's Disposition, the continuing operations of the Loan Parties and their Subsidiaries, and the transaction contemplated by the Purplebee's Disposition shall have been obtained and be in full force and effect, and all applicable waiting periods shall have expired without any action being taken or threatened by any competent authority that would restrain, prevent, or otherwise impose materially adverse conditions on the Purplebee's Disposition or any Borrower;

(vii) The Borrowers shall reimburse the Lender and the Collateral Agent for their reasonable fees and expenses incurred in connection with the Purplebee's Disposition; and

(viii) The Lender shall have received the legal opinion of counsel to the Borrowers covering such matters incident to the addition of those entities becoming Borrowers under this Agreement and the other Loan Documents as the Lender may reasonably require.

(c) At the closing of the Purplebee's Disposition:

(i) The Borrowers shall appoint a replacement Administrative Borrower;

(ii) the Collateral Agent shall cause: (A) the Mesa Organics Borrowers to cease to be Loan Parties hereunder and be released from any and all Obligations under this Agreement and any other Loan Document and (B) the Mesa Organics Collateral to be released from the lien granted in favor of the Collateral Agent pursuant to the Security Agreement; and

(iii) the Collateral Agent shall take the actions contemplated by Section 3.02(b) to evidence the release of the Mesa Borrowers as Loan Parties hereunder and the Mesa Organics Collateral.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have caused this Loan Agreement to be executed as of the date first written above by their respective officers thereunto duly authorized.

BORROWERS:

SCG HOLDING, LLC

By: Medicine Man Technologies, Inc.
Its: Sole Member

By: /s/ Justin Dye
Name: Justin Dye
Title: Chief Executive Officer

PBS HOLDCO LLC

By: Medicine Man Technologies, Inc.
Its: Manager

By: /s/ Justin Dye
Name: Justin Dye
Title: Chief Executive Officer

MESA ORGANICS LTD.

By: Medicine Man Technologies, Inc.
Its: Manager

By: /s/ Justin Dye
Name: Justin Dye
Title: Chief Executive Officer

MESA ORGANICS II LTD

By: Mesa Organics Ltd.
Its: Sole Member

By: Medicine Man Technologies, Inc.
Its: Manager

By: /s/ Justin Dye
Name: Justin Dye
Title: Chief Executive Officer

MESA ORGANICS III LTD

By: Mesa Organics Ltd.
Its: Sole Member

By: Medicine Man Technologies, Inc.
Its: Manager

By: /s/ Justin Dye
Name: Justin Dye
Title: Chief Executive Officer

MESA ORGANICS IV LTD

By: Mesa Organics Ltd.
Its: Sole Member

By: Medicine Man Technologies, Inc.
Its: Manager

By: /s/ Justin Dye
Name: Justin Dye
Title: Chief Executive Officer

[Signature Page to Loan Agreement – Borrowers]

IN WITNESS WHEREOF, the parties hereto have caused this Loan Agreement to be executed as of the date first written above by their respective officers thereunto duly authorized.

LENDER:

SHWZ Altmore, LLC

By: /s/ Hyung-Jin Patrick Kim
Name: Hyung-Jin Patrick Kim
Title: Manager

[Signature Page to Loan Agreement – Lender]

IN WITNESS WHEREOF, the parties hereto have caused this Loan Agreement to be executed as of the date first written above by their respective officers thereunto duly authorized.

COLLATERAL AGENT:

GGG Partners, LLC

By: /s/ Katie Goodman
Name: Katie Goodman
Title: Managing Member

[Signature Page to Loan Agreement – Collateral Agent]

EXHIBIT A TO LOAN AGREEMENT

JOINDER AGREEMENT

THIS JOINDER AGREEMENT (this "***Joinder Agreement***"), dated as of _____ ____, 20___ (the "***Joinder Effective Date***"), is delivered pursuant to that Loan Agreement, dated February 26, 2021 (as amended, restated, supplemented or otherwise modified from time to time, the "***Loan Agreement***"), by and among Mesa Organics Ltd., a Colorado limited liability company ("***Purplebee's***"), Mesa Organics II Ltd., a Colorado limited liability company, Mesa Organics III Ltd., a Colorado limited liability company, Mesa Organics III Ltd., a Colorado limited liability company, SCG Holding, LLC, a Colorado limited liability company, and PBS HoldCo LLC, a Colorado limited liability company (together with each Person that joins this Agreement as a borrower, each a "***Borrower***" and collectively, the "***Borrowers***"), SHWZ Altmore, LLC, a Delaware limited liability company (the "***Lender***"), and GGG Partners, LLC, a Georgia limited liability company (together with its successors and assigns in such capacity, the "***Collateral Agent***").

The undersigned Person ("***New Borrower***") has agreed to execute this Joinder Agreement to become a "Borrower" under the Loan Agreement and for the other purposes set forth herein.

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties hereto, the Collateral Agent, Lender, Borrowers, and New Borrower agree as follows:

1. **Definitions**. Capitalized terms used herein have the meanings assigned to those terms in the Loan Agreement, unless otherwise defined herein. As of the Joinder Effective Date, each reference in the Loan Agreement to "this Joinder Agreement," "hereunder," or words of like import shall mean and be a reference to the Loan Agreement, as supplemented by this Joinder Agreement.

2. **Joinder to the Loan Agreement and Intercompany Subordination Agreement**.

(a) By its execution and delivery of this Joinder Agreement, New Borrower (i) agrees that, as of the Joinder Effective Date, it is a party to the Loan Agreement as a "Borrower" under the Loan Agreement with the same force and effect as if originally named therein as a "Borrower," (ii) covenants with the Collateral Agent and Lender that it will observe and perform the terms and provisions of the Loan Agreement to the same extent as if it were an original party thereto, and (iii) confirms that it has received a copy of the Loan Agreement. The parties hereto agree that each reference in the Loan Agreement and the other Loan Documents to "Borrower," "Borrowers," or terms of similar import shall be deemed to include New Borrower.

(b) Reference is made to that certain Intercompany Subordination Agreement dated February 26, 2021 (as at any time amended, restated, supplemented or otherwise modified, the "***Subordination Agreement***"), among the Obligors (as defined in the Subordination Agreement) and the Collateral Agent. By its execution and delivery of this Joinder Agreement, New Borrower hereby (i) agrees that, as of the Joinder Effective Date, it is a party to the Subordination Agreement as an "Obligor" under (and as such term is defined in) the Subordination Agreement with the same force and effect as if originally named therein as an "Obligor," (ii) covenants with the Collateral Agent that it will observe and perform the terms and provisions of the Subordination Agreement to the same extent as if it were an original party thereto, and (iii) confirms that it has received a copy of the Subordination Agreement. The parties hereto agree that each reference in the Subordination Agreement to an "Obligor" or terms of similar import shall be deemed to include New Borrower.

3. **Administrative Borrower; Joint and Several Liability**. In accordance with the Loan Agreement, including Section 3.01 of the Loan Agreement, New Borrower agrees that, as of the Joinder Effective Date, it shall be jointly and severally liable in its capacity as a Borrower for the Loan and any and all other Obligations, each as further set forth in the Loan Agreement. New Borrower hereby consents to the appointment of the Administrative Borrower for all purposes under the Loan Agreement, including as set forth in {Section 2.13} of the Loan Agreement.

4. **Representations and Warranties**. New Borrower hereby makes the following representations and warranties to the Collateral Agent and Lender, which representations and warranties shall survive the delivery of this Joinder Agreement:

(a) **Authorization of Agreements**. New Borrower is duly authorized to execute, deliver and perform its obligations under this Joinder Agreement and each other Loan Document to which it is a party, and the execution, delivery and performance of such agreements have been duly authorized by all necessary action, and do not (i) require any consent or approval of any holders of Equity Interests of New Borrower, other than those already obtained, (ii) contravene the Organizational Documents of New Borrower, (iii) cause a default under any Contract to which New Borrower is a party, or (iv) result in or require the imposition of any Lien (other than Permitted Liens) on any Collateral owned or used by New Borrower. This Joinder Agreement and each other agreement contemplated hereby to which New Borrower is a party is a legal, valid and binding obligation of New Borrower, enforceable in accordance with its terms, except as enforceability may be limited by Debtor Relief Laws generally.

(b) **No Defaults; Restatement of Representations and Warranties**. After giving effect to this Joinder Agreement (i) no Default or Event of Default exists on the Joinder Effective Date with respect to New Borrower, and (ii) all of the representations and warranties made by the Borrowers, including New Borrower, in the Loan Agreement are true and correct with respect to New Borrower on and as of the Joinder Effective Date to the same extent as though made by New Borrower on and as of the Joinder Effective Date.

5. **No Novation**. Except as otherwise expressly provided in this Joinder Agreement, nothing herein shall be deemed to modify any provision of the Loan Agreement or any of the other Loan Documents, each of which shall remain in full force and effect. This Joinder Agreement is not intended to be, nor shall it be construed to create, a novation or accord and satisfaction, and the Loan Agreement as herein modified shall continue in full force and effect.

6. **Incorporation**. Sections 6.16 (Further Assurances), 9.06(a) (Integration), 9.06(b) (Counterparts), 9.07 (Severability), and 9.09 (Governing Law; Jurisdiction; Consent to Service of Process) of the Loan Agreement is incorporated by reference herein mutatis mutandis.

[Signature Page Follows]

IN WITNESS WHEREOF, the undersigned New Borrower has executed this Joinder Agreement as of the Joinder Effective Date first written above.

NEW BORROWER:

{NEW BORROWER},
a {STATE ENTITY TYPE}

By: _____
Name:
Title:

SEEN AND AGREED:

COLLATERAL AGENT:

GGG Partners, LLC

By: _____
Name:
Title:

EXHIBIT B TO LOAN AGREEMENT

WARRANT

NEITHER THE ISSUANCE AND SALE OF THE SECURITIES REPRESENTED BY THIS CERTIFICATE NOR THE SECURITIES INTO WHICH THESE SECURITIES ARE EXERCISABLE HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR APPLICABLE STATE SECURITIES LAWS. THE SECURITIES MAY NOT BE OFFERED FOR SALE, SOLD, TRANSFERRED OR ASSIGNED (I) IN THE ABSENCE OF (A) AN EFFECTIVE REGISTRATION STATEMENT FOR THE SECURITIES UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR (B) AN OPINION OF COUNSEL SELECTED BY THE HOLDER, IN A FORM REASONABLY ACCEPTABLE TO THE COMPANY, THAT REGISTRATION IS NOT REQUIRED UNDER SUCH ACT, OR (II) UNLESS SOLD PURSUANT TO RULE 144 OR RULE 144A UNDER SUCH ACT. NOTWITHSTANDING THE FOREGOING, THE SECURITIES MAY BE PLEDGED IN CONNECTION WITH A BONA FIDE MARGIN ACCOUNT WITH A FINRA REGISTERED BROKER/DEALER OR OTHER LOAN OR FINANCING ARRANGEMENT WITH AN "ACCREDITED INVESTOR" SECURED BY THE SECURITIES.

MEDICINE MAN TECHNOLOGIES, INC.
Warrant To Purchase Common Stock

Warrant No.: LEN-1
Number of Shares of Common Stock: 1,500,000
Date of Issuance: February 26, 2021 ("**Issuance Date**")

Medicine Man Technologies, Inc., a Nevada corporation d/b/a Schwazze (the "**Company**"), hereby certifies that, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, SHWZ ALTMORE, LLC, the registered holder hereof or its permitted assigns (the "**Holder**"), is entitled, subject to the terms set forth below, to purchase from the Company, at the Exercise Price (as defined below) then in effect, at any time or times on or after the date hereof, but not after 11:59 p.m., New York time, on the Expiration Date, 1,500,000 fully paid nonassessable shares of Common Stock, all subject to adjustment as provided herein (the "**Warrant Shares**" and, together with this Warrant (as defined below), collectively, the "**Securities**"). Except as otherwise defined herein, capitalized terms in this Warrant to Purchase Common Stock (including any Warrants to purchase Common Stock issued in exchange, transfer or replacement hereof, this "**Warrant**"), shall have the meanings set forth in Section 14. This Warrant is one of the Warrants to purchase Common Stock (the "**Loan Warrants**") issued pursuant to Section 4.01(b) of the Loan Agreement, dated as of February 26, 2021, by and among the Company, as guarantor, the borrowers party thereto, the collateral agent, and SHWZ Altmore, LLC, a Delaware limited liability company, as lender (as amended, the "**Loan Agreement**").

1. EXERCISE OF WARRANT.

(a) Mechanics of Exercise. Subject to the terms and conditions hereof, this Warrant may be exercised by the Holder at any time or times on or after the Issuance Date, in whole or in part, by (i) delivery of a written notice, in the form attached hereto as Exhibit A (the "**Exercise Notice**"), of the Holder's election to exercise this Warrant and (ii) payment to the Company of an amount equal to the applicable Exercise Price multiplied by the number of Warrant Shares as to which this Warrant is being exercised (the "**Aggregate Exercise Price**") in, at the option of the Holder as expressed in the Exericse Notice, either (x) cash by wire transfer of immediately available funds or (y) payment in accordance with Section 1(e) below. The Holder shall not be required to deliver the original Warrant in order to effect an exercise hereunder. Execution and delivery of the Exercise Notice with respect to less than all of the Warrant Shares shall have the same effect as cancellation of the original Warrant and issuance of a new Warrant evidencing the right to purchase the remaining number of Warrant Shares. Execution and delivery of an Exercise Notice for all of the then-remaining Warrant Shares shall have the same effect as cancellation of the original of this Warrant after delivery of the Warrant Shares in accordance with the terms hereof. On or before the first Trading Day following the date on which the Company has received the Exercise Notice, the Company shall transmit by electronic mail an acknowledgment of confirmation of receipt of the Exercise Notice to the Holder and the Company's transfer agent (the "**Transfer Agent**"). On or before the third Trading Day following the date on which the Company has received the Exercise Notice and the Aggregate Exercise Price, the Company shall (X) provided that the Transfer Agent is participating in The Depository Trust Company ("**DTC**") Fast Automated Securities Transfer Program and the Warrant Shares are subject to an effective resale registration statement in favor of the Holder, credit such aggregate number of Warrant Shares to which the Holder is entitled pursuant to such exercise to the Holder's or its designee's balance account with

DTC through its Deposit / Withdrawal At Custodian system, or (Y) if the Transfer Agent is not participating in the DTC Fast Automated Securities Transfer Program or the Warrant Shares are not subject to an effective resale registration statement in favor of the Holder, issue and dispatch by overnight courier to the address as specified in the Exercise Notice, a certificate, registered in the Company's share register in the name of the Holder or its designee, for the number of Warrant Shares to which the Holder is entitled pursuant to such exercise. The Company shall be responsible for all fees and expenses of the Transfer Agent and all fees and expenses with respect to the issuance of Warrant Shares via DTC, if any. Upon delivery of the Exercise Notice and the Aggregate Exercise Price, the Holder shall be deemed for all corporate purposes to have become the holder of record of the Warrant Shares with respect to which this Warrant has been exercised, irrespective of the date such Warrant Shares are credited to the Holder's DTC account or the date of delivery of the certificates evidencing such Warrant Shares, as the case may be. If this Warrant is submitted in connection with any exercise pursuant to this Section 1(a) and the number of Warrant Shares represented by this Warrant submitted for exercise is greater than the number of Warrant Shares being acquired upon an exercise, then the Company shall as soon as practicable and in no event later than three Trading Days after any exercise and at its own expense, issue a new Warrant (in accordance with Section 5(d)) representing the right to purchase the number of Warrant Shares issuable immediately prior to such exercise under this Warrant, less the number of Warrant Shares with respect to which this Warrant is exercised. No fractional Warrant Shares are to be issued upon the exercise of this Warrant, but rather the number of Warrant Shares to be issued shall be rounded up to the nearest whole number. The Company shall pay any and all transfer, stamp, issuance and similar taxes which may be payable with respect to the issuance and delivery of Warrant Shares upon exercise of this Warrant.

(b) Exercise Price. For purposes of this Warrant, "Exercise Price" means $2.50 per share, subject to adjustment as provided herein.

(c) Disputes. In the case of a dispute as to the determination of the Exercise Price or the arithmetic calculation of the number of Warrant Shares, the Company shall promptly issue to the Holder the number of Warrant Shares that are not disputed and resolve such dispute in accordance with the terms of this Warrant.

(d) Insufficient Authorized Shares. If at any time while this Warrant remains outstanding the Company does not have a sufficient number of authorized and unreserved shares of Common Stock to satisfy its obligation to reserve for issuance upon exercise of this Warrant at least a number of shares of Common Stock equal to 100% of the number of shares of Common Stock as shall from time to time be necessary to effect the exercise of all of this Warrant then outstanding (the "**Required Reserve Amount**" and the failure to have such sufficient number of authorized and unreserved shares of Common Stock, an "**Authorized Share Failure**"), then the Company shall immediately take all action necessary to increase the Company's authorized shares of Common Stock to an amount sufficient to allow the Company to reserve the Required Reserve Amount for this Warrant then outstanding. Without limiting the generality of the foregoing sentence, as soon as practicable after the date of the occurrence of an Authorized Share Failure, but in no event later than 60 days after the occurrence of such Authorized Share Failure, the Company shall hold a meeting of its stockholders for the approval of an increase in the number of authorized shares of Common Stock. In connection with such meeting, the Company shall provide each stockholder with a proxy statement and shall use its best efforts to solicit its stockholders' approval of such increase in authorized shares of Common Stock and to cause its board of directors to recommend to the stockholders that they approve such proposal. Notwithstanding the foregoing, if any such time of an Authorized Share Failure, the Company is able to obtain the written consent of a majority of the shares of its issued and outstanding shares of Common Stock to approve the increase in the number of authorized shares of Common Stock, the Company may satisfy this obligation by obtaining such consent and submitting for filing with the Securities and Exchange Commission an Information Statement on Schedule 14C.

(e) Cashless Exercise. The Holder may elect to pay the Exercise Price by instructing the Company to withhold a number of Warrant Shares then issuable upon exercise of this Warrant with an aggregate Fair Market Value as of the date of the Exercise Notice equal to the Aggregate Exercise Price. In the event of any withholding of Warrant Shares pursuant to this Section 1(e) where the number of shares whose value is equal to the Aggregate Exercise Price is not a whole number, the number of shares withheld by or surrendered to the Company shall be rounded up to the nearest whole share and the Company shall make a cash payment to the Holder (by delivery of a certified or official bank check or by wire transfer of immediately available funds) based on the incremental fraction of a share being so withheld by or surrendered to the Company in an amount equal to the product of (x) such incremental fraction of a share being so withheld or surrendered multiplied by (y) the Fair Market Value per Warrant Share as of the date of the Exercise Notice.

2. ADJUSTMENT OF EXERCISE PRICE AND NUMBER OF WARRANT SHARES. The Exercise Price and the number of Warrant Shares shall be adjusted from time to time as follows:

(a) Voluntary Adjustment By Company. The Company may at any time during the term of this Warrant, with the prior written consent of the Required Holders, reduce the then current Exercise Price to any amount and for any period of time deemed appropriate by the Board of Directors of the Company.

(b) Adjustment Upon Subdivision or Combination of Common Stock. If the Company at any time on or after the Issuance Date subdivides (by any stock split, stock dividend, recapitalization or otherwise) one or more classes of its outstanding shares of Common Stock into a greater number of shares, the Exercise Price in effect immediately prior to such subdivision will be proportionately reduced and the number of Warrant Shares will be proportionately increased. If the Company at any time on or after the Issuance Date combines (by combination, reverse stock split or otherwise) one or more classes of its outstanding shares of Common Stock into a smaller number of shares, the Exercise Price in effect immediately prior to such combination will be proportionately increased and the number of Warrant Shares will be proportionately decreased. Any adjustment under this Section 2(b) shall become effective at the close of business on the date the subdivision or combination becomes effective.

(c) Adjustment Upon Reorganization, Reclassification, Consolidation or Merger. In the event of any (i) capital reorganization of the Company, (ii) reclassification of the stock of the Company (other than a change in par value or from par value to no par value or from no par value to par value or as a result of a stock dividend or subdivision, split-up or combination of shares), (iii) consolidation or merger of the Company with or into another Person, (iv) sale of all or substantially all of the Company's assets to another Person or (v) other similar transaction, in each case which entitles the holders of Common Stock to receive (either directly or upon subsequent liquidation) stock, securities or assets with respect to or in exchange for Common Stock, each Warrant shall, immediately after such reorganization, reclassification, consolidation, merger, sale or similar transaction, remain outstanding and shall thereafter, in lieu of or in addition to (as the case may be) the number of Warrant Shares then exercisable under this Warrant, be exercisable for the kind and number of shares of stock or other securities or assets of the Company or of the successor Person resulting from such transaction to which the Holder would have been entitled upon such reorganization, reclassification, consolidation, merger, sale or similar transaction if the Holder had exercised this Warrant in full immediately prior to the time of such reorganization, reclassification, consolidation, merger, sale or similar transaction and acquired the applicable number of Warrant Shares then issuable hereunder as a result of such exercise (without taking into account any limitations or restrictions on the exercisability of this Warrant); and, in such case, appropriate adjustment (in form and substance satisfactory to the Holder) shall be made with respect to the Holder's rights under this Warrant to insure that the provisions of this Section 2 hereof shall thereafter be applicable, as nearly as possible, to this Warrant in relation to any shares of stock, securities or assets thereafter acquirable upon exercise of this Warrant (including, in the case of any consolidation, merger, sale or similar transaction in which the successor or purchasing Person is other than the Company, an immediate adjustment in the Exercise Price to the value per share for the Common Stock reflected by the terms of such consolidation, merger, sale or similar transaction, and a corresponding immediate adjustment to the number of Warrant Shares acquirable upon exercise of this Warrant without regard to any limitations or restrictions on exercise, if the value so reflected is less than the Exercise Price in effect immediately prior to such consolidation, merger, sale or similar transaction). The provisions of this Section 2(c) shall similarly apply to successive reorganizations, reclassifications, consolidations, mergers, sales or similar transactions. The Company shall not effect any such reorganization, reclassification, consolidation, merger, sale or similar transaction unless, prior to the consummation thereof, the successor Person (if other than the Company) resulting from such reorganization, reclassification, consolidation, merger, sale or similar transaction, shall assume, by written instrument substantially similar in form and substance to this Warrant and satisfactory to the Holder, the obligation to deliver to the Holder such shares of stock, securities or assets which, in accordance with the foregoing provisions, such Holder shall be entitled to receive upon exercise of this Warrant. Notwithstanding anything to the contrary contained herein, with respect to any corporate event or other transaction contemplated by the provisions of this Section 2(c), the Holder shall have the right to elect prior to the consummation of such event or transaction, to give effect to the exercise rights contained in Section 1 instead of giving effect to the provisions contained in this Section 2(c) with respect to this Warrant.

3. NONCIRCUMVENTION. The Company hereby covenants and agrees that the Company will not, by amendment of its Articles of Incorporation or Bylaws, or through any reorganization, transfer of assets, consolidation, merger, scheme of arrangement, dissolution, issue or sale of securities, or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms of this Warrant, and will at all times in good faith carry out all of the provisions of this Warrant and take all action as may be required to protect the rights of the Holder. Without limiting the generality of the foregoing, the Company (i) shall not increase the par value of any shares of Common Stock receivable upon the exercise of this Warrant above the Exercise Price then in effect, (ii) shall take all such actions as may be necessary or appropriate in order that the Company may validly and legally issue fully paid and nonassessable shares of Common Stock upon the exercise of this Warrant, and (iii) shall, so long as any of the Loan Warrants are outstanding, take all action necessary to reserve and keep available out of its authorized and unissued shares of Common Stock, solely for the purpose of effecting the exercise of the Loan Warrants, 100% of the number of shares of Common Stock as shall from time to time be necessary to effect the exercise of the Loan Warrants then outstanding.

4. WARRANT HOLDER NOT DEEMED A STOCKHOLDER. The Holder, solely in its capacity as a holder of this Warrant, shall not be entitled to vote or receive dividends or be deemed the holder of share capital of the Company for any purpose, nor shall anything contained in this Warrant be construed to confer upon the Holder, solely in its capacity as the Holder of this Warrant, any of the rights of a stockholder of the Company or any right to vote, give or withhold consent to any corporate action (whether any reorganization, issue of stock, reclassification of stock, consolidation, merger, conveyance or otherwise), receive notice of meetings, receive dividends or subscription rights, or otherwise, prior to the issuance to the Holder of the Warrant Shares which it is then entitled to receive upon the due exercise of this Warrant. In addition, nothing contained in this Warrant shall be construed as imposing any liabilities on the Holder to purchase any securities (upon exercise of this Warrant or otherwise) or as a stockholder of the Company, whether such liabilities are asserted by the Company or by creditors of the Company.

5. REISSUANCE OF WARRANTS.

(a) Transfer of Warrant. If this Warrant is to be transferred, the Holder shall surrender this Warrant to the Company, whereupon the Company will forthwith issue and deliver upon the order of the Holder a new Warrant (in accordance with Section 5(d)), registered as the Holder may request, representing the right to purchase the number of Warrant Shares being transferred by the Holder and, if less than the total number of Warrant Shares then underlying this Warrant is being transferred, a new Warrant (in accordance with Section 5(d)) to the Holder representing the right to purchase the number of Warrant Shares not being transferred.

(b) Lost, Stolen or Mutilated Warrant. Upon receipt by the Company of evidence reasonably satisfactory to the Company of the loss, theft, destruction or mutilation of this Warrant, and, in the case of loss, theft or destruction, of any indemnification undertaking by the Holder to the Company in customary form and, in the case of mutilation, upon surrender and cancellation of this Warrant, the Company shall execute and deliver to the Holder a new Warrant (in accordance with Section 5(d)) representing the right to purchase the Warrant Shares then underlying this Warrant.

(c) Exchangeable for Multiple Warrants. This Warrant is exchangeable, upon the surrender hereof by the Holder at the principal office of the Company, for a new Warrant or Warrants (in accordance with Section 5(d)) representing in the aggregate the right to purchase the number of Warrant Shares then underlying this Warrant, and each such new Warrant will represent the right to purchase such portion of such Warrant Shares as is designated by the Holder at the time of such surrender; provided, however, that no Loan Warrants for fractional Warrant Shares shall be given.

(d) Issuance of New Warrants. Whenever the Company is required to issue a new Warrant pursuant to the terms of this Warrant, such new Warrant (i) shall be of like tenor with this Warrant, (ii) shall represent, as indicated on the face of such new Warrant, the right to purchase the Warrant Shares then underlying this Warrant (or in the case of a new Warrant being issued pursuant to Section 5(a) or Section 5(c), the Warrant Shares designated by the Holder which, when added to the number of shares of Common Stock underlying the other new Warrants issued in connection with such issuance, does not exceed the number of Warrant Shares then underlying this Warrant), (iii) shall have an issuance date, as indicated on the face of such new Warrant which is the same as the Issuance Date, and (iv) shall have the same rights, terms and conditions as this Warrant.

6. REPRESENTATIONS AND WARRANTIES OF THE HOLDER. As of the Issuance Date and upon delivery of each Exercise Notice, the Holder represents and warrants to the Company as follows:

(a) No Public Sale or Distribution. The Holder is acquiring this Warrant, and when issued in accordance with the terms of this Warrant, the Warrant Shares, in the ordinary course of its business for its own account and not with a view towards, or for resale in connection with, the public sale or distribution thereof, except pursuant to sales registered or exempted under the Securities Act of 1933, as amended (the "**Securities Act**"). The Holder does not presently have any agreement or understanding, directly or indirectly, with any Person to distribute any of the Securities.

(b) Holder Status and Experience. The Holder is, and on each date on which the Holder acquires any Warrant Shares it will be, an "accredited investor" as that term is defined in Rule 501(a) of Regulation D. The Holder, either alone or together with its representatives, has such knowledge, sophistication and experience in business and financial matters so as to be capable of evaluating the merits and risks of the investment in the Securities, and has so evaluated the merits and risks of such investment. The Holder is able to bear the economic risk of an investment in the Securities and, at the present time, is able to afford a complete loss of such investment.

(c) Information. The Holder and its advisors, if any, have been furnished with all materials relating to the business finances and operations of the Company and materials relating to the offer and issuance of the Securities that have been requested by the Holder. The Holder and its advisors, if any, have been afforded the opportunity to ask questions of the Company and receive answers from the Company concerning the terms and conditions of the offering of the Securities, the merits of investing in the Securities and the business, finances and operations of the Company. Neither such inquiries nor any other due diligence investigations conducted by the Holder or is advisors, if any, or its representatives shall modify, amend or affect the Holder's right to rely on the Company's representations and warranties contained herein. The Holder understands that its investment in the Securities involves a high degree of risk. The Holder has sought such accounting, legal and tax advice as it has considered necessary to make an informed investment decision with respect to its acquisition of the Securities.

(d) Transfer or Resale. The Holder understands that: (i) the Securities are "restricted securities" under applicable securities laws and have not been and are not being registered under the Securities Act or any state securities laws, and may not be offered for sale, sold, assigned or transferred unless (A) subsequently registered thereunder, (B) the Holder shall have delivered to the Company (if requested by the Company) an opinion of counsel, in a form reasonably acceptable to the Company, to the effect that such Securities to be sold, assigned or transferred may be sold, assigned or transferred pursuant to an exemption from such registration, or (C) the Holder provides the Company with reasonable assurance that such Securities can be sold, assigned or transferred pursuant to Rule 144 or Rule 144A promulgated under the Securities Act (or a successor rule thereto) (collectively, "**Rule 144**"); (ii) any sale of the Securities made in reliance on Rule 144 may be made only in accordance with the terms of Rule 144 and further, if Rule 144 is not applicable, any resale of the Securities under circumstances in which the seller (or the Person through whom the sale is made) may be deemed to be an underwriter (as that term is defined in the Securities Act) may require compliance with some other exemption under the Securities Act or the rules and regulations of the Securities and Exchange Commission thereunder; and (iii) neither the Company nor any other Person is under any obligation to register the Securities under the Securities Act or any state securities laws or to assist the Holder to comply with the terms and conditions of any exemption thereunder. Notwithstanding the foregoing, the Securities may be pledged in connection with a bona fide margin account with a FINRA registered broker/dealer or other loan or financing arrangement with an accredited investor secured by the Securities and such pledge of Securities shall not be deemed to be a transfer, sale or assignment of the Securities hereunder, and if the Holder effects such a pledge of Securities it shall not be required to provide the Company with any notice thereof or otherwise make any delivery to the Company pursuant to this Agreement. The Holder understands that the Warrant Shares shall bear such restrictive legend as required by the Company. THE HOLDER UNDERSTANDS THAT THE WARRANT SHARES WILL BE SUBJECT TO THE TERMS AND PROVISIONS OF (A) THE ARTICLES OF INCORPORATION OF THE COMPANY, AS AMENDED FROM TIME TO TIME, INCLUDING, WITHOUT LIMITATION, THE CERTIFICATES OF DESIGNATION RELATING TO ALL SERIES OF PREFERRED STOCK, AND THE RELATIVE RIGHTS, PREFERENCES, RESTRICTIONS, DESIGNATIONS, QUALIFICATIONS AND PRIVILEGES SET FORTH THEREIN AND IMPOSED THEREON AND UPON THE HOLDERS THEREOF, AND (B) THE BYLAWS OF THE COMPANY, AS AMENDED FROM TIME TO TIME, INCLUDING, WITHOUT LIMITATION, A REDEMPTION RIGHT IN FAVOR OF THE COMPANY, TO ALL OF WHICH TERMS AND PROVISIONS THE HOLDER, BY ACCEPTANCE HEREOF, ASSENTS.

(e) Reliance on Exemptions. The Holder understands that the Securities are being offered and issued to it in reliance on specific exemptions from the registration requirements of applicable securities laws and that the Company is relying in part upon the truth and accuracy of, and the Holder's compliance with, the representations and warranties of the Holder set forth herein in order to determine the availability of such exemptions and eligibility of the Holder to acquire the Securities.

(f) Bad Actor. Neither the Holder, nor any of its directors, executive officers, general partners, managers, managing members or beneficial owners of 20% of the Holder's outstanding voting equity securities, calculated on the basis of voting power, is subject to any "Bad Actor" disqualifications described in Rule 506(d)(1)(i) to (viii) promulgated under the Securities Act (a "**Disqualification Event**"), except for a Disqualification Event (i) contemplated by Rule 506(d)(2) promulgated under the Securities Act, and (ii) a description of which has been furnished in writing to the Company before the date hereof.

(g) FINRA Lists. The Holder is not included in the list of entities barred by the Financial Industry Regulatory Authority.

(h) Blocked Persons and Sanctions. Neither the Holder nor any director, officer, employee, agent, affiliate or other Person associated with or acting on behalf of the Holder is, or is directly or indirectly owned or controlled by, a Person that is restricted from doing business under the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, H.R. 3162, Public Law 107-56, as amended (commonly known as the "USA Patriot Act"), or any executive order, including, without limitation, Executive Order Number 13224 on Terrorism Financing, effective September 24, 2001, and the regulations promulgated pursuant thereto or currently the subject or the target of any sanctions administered or enforced, or any relevant lists maintained, by the U.S. government (including, without limitation, the Office of Foreign Assets Control of the U.S. Department of the Treasury or the U.S. Departments of State or Commerce and including, without limitation, the designation as a "Specially Designated National" or on the "Sectoral Sanctions Identifications List", collectively "**Blocked Persons**"), the United Nations, the European Union, Her Majesty's Treasury, the North Atlantic Treaty Organization, the Financial Action Task Force on Money Laundering of Organization for Economic Cooperation and Development, or any other relevant sanctions authority (collectively, "**Sanctions Laws**"); neither the Holder, nor any director, officer, employee, agent, affiliate or other Person associated with or acting on behalf of the Holder is located, organized or resident in a country or territory that is the subject or target of a comprehensive embargo or Sanctions Laws prohibiting trade with the country or territory, including, without limitation, Crimea, Cuba, Iran, North Korea, Sudan and Syria (each, a "**Sanctioned Country**"); neither the Holder nor any director, officer, employee, agent, affiliate or other Person associated with or acting on behalf of the Holder, acting in any capacity in connection with the operations of the Holder, conducts any business with or for the benefit of any Blocked Person or engages in making or receiving any contribution of funds, goods or services to, from or for the benefit of any Blocked Person, or deals in, or otherwise engages in any transaction relating to, any property or interests in property blocked or subject to blocking pursuant to any applicable Sanctions Laws. The Holder has not knowingly engaged in and is not now knowingly engaged in any dealings or transactions with any Person that at the time of the dealing or transaction is or was the subject or the target of Sanctions Laws or with any Sanctioned Country.

(i) Foreign Political Figure. Neither the Holder nor any of its directors, executive officers, general partners, managers, managing members or beneficial owners is a senior foreign political figure, any member of a senior foreign political figure's immediate family or any close associate of a senior foreign political figure.

7. NOTICES.

(a) Whenever notice is required to be given under this Warrant, unless otherwise provided herein, such notice shall be given in accordance with Section 9.01 of the Loan Agreement. The Company shall provide the Holder with prompt written notice of all actions taken pursuant to this Warrant, including in reasonable detail a description of such action and the reason therefor. Without limiting the generality of the foregoing, the Company will give written notice to the Holder immediately upon any adjustment of the Exercise Price, setting forth in reasonable detail, and certifying, the calculation of such adjustment.

(b) In the event:

(i) that the Company shall take a record of the holders of its Common Stock (or other capital stock or securities at the time issuable upon exercise of the Warrant) for the purpose of entitling or enabling them to receive any dividend or other distribution, to vote at a meeting (or by written consent), to receive any right to subscribe for or purchase any shares of capital stock of any class or any other securities, or to receive any other security; or

(ii) of any capital reorganization of the Company, any reclassification of the Common Stock of the Company, any consolidation or merger of the Company with or into another Person, or sale of all or substantially all of the Company's assets to another Person; or

(iii) of the voluntary or involuntary dissolution, liquidation or winding-up of the Company;

then, and in each such case, the Company shall send or cause to be sent to the Holder at least 20 Business Days prior to the applicable record date or the applicable expected effective date, as the case may be, for the event, a written notice specifying, as the case may be, (A) the record date for such dividend, distribution, meeting or consent or other right or action, and a description of such dividend, distribution or other right or action to be taken at such meeting or by written consent, or (B) the effective date on which such reorganization, reclassification, consolidation, merger, sale, dissolution, liquidation or winding-up is proposed to take place, and the date, if any is to be fixed, as of which the books of the Company shall close or a record shall be taken with respect to which the holders of record of Common Stock (or such other capital stock or securities at the time issuable upon exercise of the Warrant) shall be entitled to exchange their shares of Common Stock (or such other capital stock or securities) for securities or other property deliverable upon such reorganization, reclassification, consolidation, merger, sale, dissolution, liquidation or winding-up, and the amount per share and character of such exchange applicable to the Warrant and the Warrant Shares.

8. AMENDMENT AND WAIVER. Except as otherwise provided herein, the provisions of this Warrant and the other Loan Warrants may be amended or waived and the Company may take any action herein prohibited, or omit to perform any act herein required to be performed by it, only if the Company has obtained the written consent of the Required Holders and any amendment, waiver or action made in conformity with the provisions of this Section 8 shall be binding on all holders of Loan Warrants and the Company. The Holder acknowledges and agrees that by operation of this Section 8, the Required Holders will have the right and power to amend this Warrant and the other Loan Warrants, including, without limitation, the power to diminish or eliminate all rights of the Holder under this Warrant.

9. GOVERNING LAW; JURISDICTION; JURY TRIAL. This Warrant shall be governed by and construed and enforced in accordance with, and all questions concerning the construction, validity, interpretation and performance of this Warrant shall be governed by, the internal laws of the State of New York, without giving effect to any choice of law or conflict of law provision or rule (whether of the State of New York or any other jurisdictions) that would cause the application of the laws of any jurisdictions other than the State of New York. The Company and the Holder each hereby irrevocably submits to the exclusive jurisdiction of the state and federal courts sitting in The City of New York, Borough of Manhattan, for the adjudication of any dispute hereunder or in connection herewith or with any transaction contemplated hereby or discussed herein, and each hereby irrevocably waives, and agrees not to assert in any suit, action or proceeding, any claim that it is not personally subject to the jurisdiction of any such court, that such suit, action or proceeding is brought in an inconvenient forum or that the venue of such suit, action or proceeding is improper. The Company and the Holder each hereby irrevocably waives personal service of process and consents to process being served in any such suit, action or proceeding by mailing a copy thereof to the respective address set forth in Section 9.01 of the Loan Agreement or otherwise designated in writing pursuant to Section 9.01 of the Loan Agreement and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing contained herein shall be deemed to limit in any way any right to serve process in any manner permitted by law. THE COMPANY AND THE HOLDER EACH HEREBY IRREVOCABLY WAIVES ANY RIGHT IT MAY HAVE, AND AGREES NOT TO REQUEST, A JURY TRIAL FOR THE ADJUDICATION OF ANY DISPUTE HEREUNDER OR IN CONNECTION WITH OR ARISING OUT OF THIS WARRANT.

10. CONSTRUCTION; HEADINGS. This Warrant shall be deemed to be jointly drafted by the Company and the Holder and shall not be construed against any Person as the drafter hereof. The headings of this Warrant are for convenience of reference and shall not form part of, or affect the interpretation of, this Warrant.

11. REMEDIES, OTHER OBLIGATIONS, BREACHES AND INJUNCTIVE RELIEF. The remedies provided in this Warrant shall be cumulative and in addition to all other remedies available under this Warrant and the other Loan Documents (as defined in the Loan Agreement), at law or in equity (including, without limitation, a decree of specific performance and/or other injunctive relief), and nothing herein shall limit the right of the Holder to pursue actual damages for any failure by the Company to comply with the terms of this Warrant. The Company acknowledges that a breach by it of its obligations hereunder will cause irreparable harm to the Holder and that the remedy at law for any such breach may be inadequate. The Company therefore agrees that, in the event of any such breach, the holder of this Warrant shall be entitled, in addition to all other available remedies, to an injunction restraining any breach.

12. TRANSFER. This Warrant and the Warrant Shares may be offered for sale, sold, transferred, pledged or assigned without the consent of the Company, subject to compliance with all applicable federal and state securities laws.

13. SEVERABILITY. If any provision of this Warrant is prohibited by law or otherwise determined to be invalid or unenforceable by a court of competent jurisdiction, the provision that would otherwise be prohibited, invalid or unenforceable shall be deemed amended to apply to the broadest extent that it would be valid and enforceable, and the invalidity or unenforceability of such provision shall not affect the validity of the remaining provisions of this Warrant so long as this Warrant as so modified continues to express, without material change, the original intentions of the parties as to the subject matter hereof and the prohibited nature, invalidity or unenforceability of the provision(s) in question does not substantially impair the respective expectations or reciprocal obligations of the parties or the practical realization of the benefits that would otherwise be conferred upon the parties. The parties will endeavor in good faith negotiations to replace the prohibited, invalid or unenforceable provision(s) with a valid provision(s), the effect of which comes as close as possible to that of the prohibited, invalid or unenforceable provision(s).

14. CERTAIN DEFINITIONS. For purposes of this Warrant, the following terms shall have the following meanings:

(a) "**Business Day**" means any day other than Saturday, Sunday or other day on which commercial banks in The City of New York are authorized or required by law to remain closed.

(b) "**Common Stock**" means (i) the Company's shares of common stock, par value $0.001 per share, and (ii) any stock capital into which such Common Stock shall have been changed or any stock capital resulting from a reclassification, reorganization or reclassification of such Common Stock.

(c) "**Expiration Date**" means the date 60 months after the Issuance Date or, if such date falls on a day other than a Business Day or a Trading Day (such day, a "**Holiday**"), the next day that is not a Holiday.

(d) "**Fair Market Value**" means, as of any particular date, the arithmetic average over the 20 consecutive Trading Days ending on the Trading Day immediately prior to the day as of which "Fair Market Value" is being determined of, as applicable, (i) the volume weighted average of the closing sales prices of the Common Stock for such day on all domestic securities exchanges on which the Common Stock may at the time be listed; (ii) if there have been no sales of the Common Stock on any such exchange on any such day, the average of the highest bid and lowest asked prices for the Common Stock on all such exchanges at the end of such day; (iii) if on any such day the Common Stock is not listed on a domestic securities exchange, the closing sales price of the Common Stock as quoted on the Principal Market; or (iv) if there have been no sales of the Common Stock on Principal Market on any such day, the average of the highest bid and lowest asked prices for the Common Stock quoted on the Princial Market at the end of such day. If at any time the Common Stock is not listed on any domestic securities exchange or quoted on the Principal Market or similar quotation system or association, the "Fair Market Value" of the Common Stock shall be the fair market value per share as determined jointly by the Company and the Holder; *provided*, that if the Company and the Holder are unable to agree on the fair market value per share of the Common Stock within a reasonable period of time (not to exceed 20 days from the Company's receipt of the Exercise Notice), such fair market value shall be determined by a nationally recognized investment banking, accounting or valuation firm jointly selected by the Company and the Holder. The determination of such firm shall be final and conclusive, and the fees and expenses of such firm shall be borne by the Company. All such determinations shall be appropriately adjusted for any stock dividend, stock split, stock combination, reclassification or other similar transaction during the applicable calculation period.

(e) "**Person**" means an individual, a limited liability company, a partnership, a joint venture, a corporation, a trust, an unincorporated organization, any other entity and a government or any department or agency thereof.

(f) "**Principal Market**" means the OTCQX.

(g) "**Required Holders**" means the holders of the Loan Warrants representing at least a majority of the shares of Common Stock underlying all of the Loan Warrants then outstanding.

(h) "**Trading Day**" means any day on which the Common Stock is traded or qualified for quotation on the Principal Market, or, if the Principal Market is not the principal trading market for the Common Stock on such day, then on the principal securities exchange or securities market on which the Common Stock is then traded or qualified for quotation.

[Signature Page Follows]

IN WITNESS WHEREOF, the Company has caused this Warrant to Purchase Common Stock to be duly executed as of the Issuance Date set out above.

MEDICINE MAN TECHNOLOGIES, INC.

By: _____
Name:
Title:

EXHIBIT A

FORM OF EXERCISE NOTICE
TO BE EXECUTED BY THE REGISTERED HOLDER TO EXERCISE THIS
WARRANT TO PURCHASE COMMON STOCK
MEDICINE MAN TECHNOLOGIES, INC.

The undersigned holder hereby exercises the right to purchase _____ shares of Common Stock ("**Warrant Shares**") of Medicine Man Technologies, Inc., a Nevada corporation d/b/a/ Schwazze (the "**Company**"), evidenced by the attached Warrant to Purchase Common Stock (the "**Warrant**"). Capitalized terms used herein and not otherwise defined shall have the respective meanings set forth in the Warrant.

1. Payment of Exercise Price. The holder shall pay the Aggregate Exercise Price in the sum of $_____ to the Company in accordance with the terms of the Warrant. Payment is to be paid [ ] in cash or [ ] pursuant to Section 1(e) of the Warrant.

2. Delivery of Warrant Shares. The Company shall deliver to the holder _____ Warrant Shares in accordance with the terms of the Warrant.

3. Representations and Warranties. The representations and warranties set forth in Section 6 of the Warrant are true and correct in all respects with the same effect as though such representations and warranties had been made as of the date of this Exercise Notice.

Please issue the Warrant Shares in the following name and to the following account:

Issue to: _____

_____

_____

Facsimile Number and Electronic Mail: _____

Authorization: _____

By: _____

Title: _____

Dated: _____

Broker Name: _____

Broker DTC #: _____

Broker Telephone #: _____

Account Number:
(if electronic book entry transfer) _____

Transaction Code Number:
(if electronic book entry transfer) _____

ACKNOWLEDGMENT

The Company hereby acknowledges this Exercise Notice and hereby directs the Transfer Agent to issue the above indicated number of shares of Common Stock.

MEDICINE MAN TECHNOLOGIES, INC.

By: _____
Name:
Title:

EXHIBIT C TO LOAN AGREEMENT

FORM OF LENDER NOTE

PROMISSORY NOTE

_____, 202_

FOR VALUE RECEIVED, each of the undersigned (each a "***Borrower***" and collectively, the "***Borrowers***"), hereby jointly and severally promise to pay to the order of SHWZ Altmore, LLC, a Delaware limited liability company or its registered assigns (the "***Lender***"), the principal amount of each Loan from time to time made by the Lender to the Borrowers under and in accordance with that certain Loan Agreement dated February 26, 2021 (as amended, restated, supplemented or otherwise modified from time to time, the "***Loan Agreement***"), by and among the Borrowers, the Lender, and GGG Partners, LLC, as collateral agent for the Lenders (in such capacity, together with its successors and assigns in such capacity, the "***Collateral Agent***"), together with interest at the Applicable Rate and if and when applicable the Default Rate, and all other Obligations, in each case at the times the dates provided in the Loan Agreement; provided that all principal and interest remaining unpaid under this Promissory Note (this "***Promissory Note***") shall be payable in full on the Maturity Date, or such earlier date as may be required under the Loan Agreement. Terms used herein have the meanings assigned to those terms in the Loan Agreement, unless otherwise defined herein.

This Promissory Note is one of the Lender Notes referred to in, is executed and delivered pursuant to, and is entitled to the benefits of, the Loan Agreement, to which Loan Agreement reference is hereby made for a statement of the terms and conditions governing this Promissory Note, including, but not limited to the terms and conditions under which this Promissory Note may be prepaid or the Obligations accelerated or extended. The terms and conditions of the Loan Agreement are hereby incorporated in their entirety herein by reference as though fully set forth herein. This Promissory Note is also entitled to the benefits of the Guaranty and is secured by the Collateral.

All payments of principal and interest and other Obligations due to the Lender in respect of this Promissory Note shall be made to the Lender in lawful money of the United States of America in immediately available funds at the Payment Office for the account of the Lender in accordance with the terms of the Loan Agreement.

The transfer, sale or assignment of any rights under or interest or participations in this Promissory Note is subject to the restrictions contained in the Loan Agreement. **Lender** shall maintain the Borrowers' Account in accordance with the Loan Agreement, relating to the amounts owed by Borrowers under this Promissory Note. The records of the Lender with respect to the Borrowers' Account shall be conclusive evidence absent manifest error of the amounts of Loans and other charges thereto and of payments applicable thereto. Lender shall maintain the Participant Register in accordance with the Loan Agreement.

Upon the occurrence of certain Events of Default as more particularly described in the Loan Agreement, the unpaid principal amount evidenced by this Promissory Note together with all accrued and unpaid interest and all other Obligations to the Lender, shall become, and upon the occurrence and during the continuance of certain other Events of Default, such sums may be declared to be, due and payable in the manner, upon the conditions and with the effect provided in the Loan Agreement.

This Promissory Note and any claim, controversy, dispute, or cause of action (whether in contract or tort or otherwise) based upon, arising out of, or relating to this Promissory Note shall be governed by, and construed in accordance with, the laws of the State of Delaware, without regard to conflicts of laws principles.

The Borrowers, for themselves, and for each of their successors and assigns, hereby waive diligence, presentment, protest and demand and notice of protest, demand, dishonor and non-payment of this Note.

[Signature Page Follows]

IN WITNESS WHEREOF, the undersigned Borrowers have executed this Promissory Note as of the date first set forth above.

BORROWERS:

SCG Holding, LLC

By: _____
Name:
Title:

PBS HoldCo LLC

By: _____
Name:
Title:

Mesa Organics Ltd.

By: _____
Name:
Title:

Mesa Organics II Ltd

By: _____
Name:
Title:

Mesa Organics III Ltd

By: _____
Name:
Title:

Mesa Organics IV Ltd

By: _____
Name:
Title:

EXHIBIT D TO LOAN AGREEMENT

COMPLIANCE CERTIFICATE

The undersigned, [OFFICER'S NAME], [TITLE] of Medicine Man Technologies, Inc., a Nevada corporation, the Manager of Mesa Organics Ltd., a Colorado limited liability company (the "***Administrative Borrower***"), hereby certifies on behalf of the Borrowers, pursuant to Section 6.02(b) of the Loan Agreement, dated as of February 26, 2021 (the "***Loan Agreement***"), by and among the Administrative Borrower, Mesa Organics II Ltd., a Colorado limited liability company, Mesa Organics III Ltd., a Colorado limited liability company, Mesa Organics IV Ltd., a Colorado limited liability company, SCG Holding, LLC, a Colorado limited liability company, and PBS HoldCo LLC, a Colorado limited liability company (together with each Person that joins this Agreement as a borrower, each a "***Borrower***" and collectively, the "***Borrowers***"), SHWZ Altmore, LLC, a Delaware limited liability company (the "***Lender***"), and GGG Partners, LLC, a Georgia limited liability company (the "***Collateral Agent***") that:

1. Capitalized terms used but not otherwise defined herein shall have the meanings given to them in the Loan Agreement.

2. Attached hereto and set forth in reasonable detail are computations evidencing compliance with the covenants contained in Section 6.11 of the Loan Agreement as of the date and for the period to which the financial statements delivered herewith relate. The information furnished in the calculations attached hereto was true, accurate, correct and complete as of the last day of such period and for such period, as the case may be.

3. I reviewed the Loan Agreement and the Loan Documents and have made or caused to be made such investigations as are necessary or appropriate for the purposes of this certificate and hereby certify that:

(a) the quarterly financial statements of the Guarantor delivered to the Lender herewith fairly represent in all material respects the financial position of the Guarantor and its Subsidiaries, on a consolidated basis, as of the date hereof;

(b) the quarterly financial statements of the Borrowers delivered to the Lender herewith fairly represent in all material respects the financial position of the Borrowers and their Subsidiaries, on a consolidated basis, as of the date hereof;

(c) except as noted in any Schedules hereto, the representations and warranties made by the Borrowers contained in Article V of the Loan Agreement and in each other Loan Document, certificate or other writing delivered to any Secured Party pursuant thereto remain 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 on and as of such earlier date);

(d) each Loan Party during such period has observed and performed all of the covenants and other agreements, and satisfied every condition contained in the Loan Agreement and the other Loan Documents to which such Loan Party is a party to be observed, performed, or satisfied by it;

(e) I have not obtained any knowledge of any Default or Event of Default, except as described in any Schedules hereto; and

(f) [there have been no changes to the information contained in each of the Security Agreement Schedules delivered on the Closing Date or the date of the most recently updated Security Agreement Schedules delivered the Lender and Collateral Agent.] **OR** [attached hereto are updated Security Agreement Schedules identifying any changes to the information contained therein.]

[Signature Page Follows]

IN WITNESS WHEREOF, the undersigned has executed this Compliance Certificate on behalf of the Administrative Borrower as of [_____ __], 20__.

MESA ORGANICS LTD.,
a Colorado limited liability company

By: MEDICINE MAN TECHNOLOGIES, INC.,
a Nevada corporation
Its: Manager

By: _____
Name: _____
Title: _____

SCHEDULES

to

LOAN AGREEMENT

by and among

MESA ORGANICS LTD., **MESA ORGANICS II LTD**, **MESA ORGANICS III LTD**, **MESA ORGANICS IV LTD**, **SCG HOLDING, LLC**, **AND PBS HOLDCO LLC**, **and the Borrowers from time to time hereto**
(as Borrowers)

and
MEDICINE MAN TECHNOLOGIES, **INC.**,
(as Guarantor)

and
SHWZ ALTMORE, **LLC**,
(as Lender)

and

GGG PARTNERS LLC,
(as Collateral Agent)

dated as of

February 26, **2021**

SCHEDULES:

5.02	Power; Authorization; Enforceability
5.06	No Litigation
5.08	Property
5.09	Environmental Matters
5.10	Insurance
5.11	Material Contract
5.16	Liens
5.19	Equity Interests
7.01(d)	Existing Debt
7.02(i)	Existing Liens
7.04	Investments

Schedule 5.02
Power; Authorization; Enforceability

None.

Schedule 5.06
No Litigation

None.

Schedule 5.08
Real Property Leases

Lessor	Lessee	Lease Agreement	Street Address	Expiration Date
Parco Properties Ltd.	Mesa Organics, Ltd. ("***Purplebee's***")	Lease, dated as of April 20, 2020, by and between Parco Properties Ltd. and Mesa Organics, Ltd. (as amended by the First Amendment to Lease, dated as of August 11, 2020).	The approximately 0.5 acres of land and garage building located on Baxter Road adjacent to 30965 Hwy 50 East, Pueblo, CO.	April 19, 2025, with the option of two additional three year periods.
Parco Properties Ltd.	Purplebee's	Lease, dated as of April 20, 2020, by and between Parco Properties Ltd. and Mesa Organics, Ltd. (as amended by the First Amendment to Lease, dated as of August 11, 2020).	30899 Hwy 50 East, Buildings A, B, C and D, Pueblo, CO.	April 19, 2025, with the option of two additional three year periods.
Parco Properties Ltd.	Purplebee's	Lease, dated as of April 20, 2020, by and between Parco Properties Ltd. and Mesa Organics, Ltd. (as amended by the First Amendment to Lease, dated as of August 11, 2020).	The land and building located at 30965 Hwy 50 East, Pueblo, CO, containing approximately 2200 square feet.	April 19, 2025, with the option of two additional three year periods.
Parco Properties Ltd.	Mesa Organics II, Ltd.	Lease, dated as of April 20, 2020, by and between Parco Properties Ltd. and Mesa Organics II, Ltd.	611 E. 6th Street, Building A, containing approximately 1,584 square feet, Ordway, CO.	April 19, 2025, with the option of two additional three year periods.
Parco Properties Ltd.	Mesa Organics III, Ltd.	Lease, dated as of April 20, 2020, by and between Parco Properties Ltd. and Mesa Organics III, Ltd.	The approximately 1,512 square foot premises in the southwest corner of the approximately 13,000 square foot building, 1315 Elm Avenue, Rocky Ford, CO.	April 19, 2025, with the option of two additional three year periods.
Parco Properties Ltd.	Mesa Organics IV, Ltd.	Lease, dated as of April 20, 2020, by and between Parco Properties Ltd. and Mesa Organics IV, Ltd.	420 Bent Avenue, Las Animas, CO.	April 19, 2025, with the option of two additional three year periods.

Schedule 5.09
Environmental Matters

None.

Schedule 5.10
Insurance

1st Named Insured	Coverage	Insurance Company	Policy #	Policy Term	Policy Limits	Total Cost (Bound)
Medicine Man Technologies, Inc dba Schwazze; Mesa Organics Ltd. dba Mesa Organics/Purplebee's, Mesa Organics II Ltd dba Purplebees: Mesa Organics III Ltd: Mesa Organics IV Ltd	Primary Property	Dorchester Insurance Company, Ltd.	CNMP00000002-01	7/6/2019 - 5/1/2021	Business Personal Property, Goods in Process, Completed Stock: Per Schedule of Locations on File Total Insured Values @ Inception (Excluding BI): $5,726,000 Business Personal Property $3,126,000 Goods in Process $800,000 Completed Stock $1,800,000 Transit Not Blanket Limits Business Income including Extra Expense: Per Schedule of Locations on File Total Insured Values @ Inception: $12,000,000 Not Blanket Limits 25% Minimum Earned Premium Theft Exclusion (all locations) Protective Safeguard - Automatic Burglary Alarm (all locations) Limitations on Coverage for Roof Surfacing - Cosmetic damage to roof surfaces caused by wind and/or hail	$55,218.30

1st Named Insured	Coverage	Insurance Company	Policy #	Policy Term	Policy Limits	Total Cost (Bound)
Medicine Man Technologies, Inc, dba Schwazze SUCCESS NUTRIENTS INC Mesa Organics Ltd. dba Mesa Organics/Purplebee's, Mesa Organics II Ltd dba Purplebees: Mesa Organics III Ltd: Mesa Organics IV Ltd	General Liability Inc. Products Liability	Admiral Insurance Company ”.	CA000038781-01	6/22/2020 - 5/1/2021	$1,000,000 Each Occurrence $2,000,000 Aggregate $2,000,000 Products Aggregate $300,000 Damage to Premises $1,000,000 Personal & Advertising Injury Medical Payments - No Coverage $1,000,000 Employee Benefits Liability - Each Claim $2,000,000 Employee Benefits Liability - Aggregate Employee Benefits Retroactive Date - 1/29/2019 Inception 6/22/2020 Cannabis Budtender Professional Liability $100,000 Each Claim $100,000 Aggregate Vaporizing Device Sub-Limits $1,000,000 Each Occurrence (Included in Occurrence Limit) $1,000,000 Aggregate (included in Aggregate Limit) Vaporizing Cartridge Sub-Limits $1,000,000 Each Occurrence (Included in Occurrence Limit) $2,000,000 Aggregate (included in Aggregate Limit) Vaporizing Device and Vaporizing Cartridge Aggregate Sub-Limit $2,000,000 Aggregate (included in Aggregate Limit) Retroactive Date: 1/29/2019 Limitation of Coverage to Operations in Colorado Minimum Premium - 25%	$31,048.32

Medicine Man Technologies Inc; Success Nutrients, Inc.dba Schwazze	Property (Real Property)	Canopius US Insurance, Inc.	SCPPI15302350-00	4/20/2020 - 4/20/2021	Location: 4880 Havana St, Suite 201, Denver, CO 80239 Business Personal Property: $50,000 Replacement Cost 80% Coinsurance	$1,413.16
Medicine Man Technologies, Inc.	Directors & Officers Liability	Indian Harbor Insurance Company	ELU168556-20	6/28/2020 - 6/28/2021	$2,000,000 Aggregate Minimum Earned Premium 25% Extended Reporting Period 200% of Premium	$432,600.00
Medicine Man Technologies Inc. Schwazze, Inc. Omnibus Named Insured	Crime	Berkley Insurance Company	BCCR-45003938-20	6/22/2020 - 6/28/2021	$1,000,000 Employee Theft $1,000,000 Forgery or Alteration $1,000,000 Inside Theft of Money & Securities $1,000,000 Inside - Robbey or Safe Burglary of Other Property $1,000,000 Outside the Premises $1,000,000 Computer and Funds Transfer Fraud $1,000,000 Money Orders and Counterfeit Money Territory - Worldwide Acquired Entities Automatic Coverage 15% of Total Assets Include All Non-Compensated Officers as Employees Include Designated Persons as Employees - Employees on Military Leave of Absence Knowledge of Prior Theft > $10,000 Notice of Cancellation 90 days Tax Compensation Coverage	$22,500.00

Medicine Man Technologies, Inc. dba Schwazze	Cyber	Indian Harbor Insurance Company	MTP9041014-00	4/27/2020 - 5/1/2021	$1,000,000 Combined Policy Aggregate $1,000,000 Media - Retroactive Date: 04/27/2020 $1,000,000 Privavy and Cyber Security - Full Prior Acts $1,000,000 Privacy Regulatory Defense, Awards and Fines - Full Prior Acts $500,000 PCI DSS Coverage - Full Prior Acts $1,000,000 Business Interruption Extra Expense including Voluntary Shutdown $1,000,000 System Failure Business Income / Extra Expense $1,000,000 Dependent Business Interruption Extra Expense $1,000,000 $500,000 Dependent Business Interruption System Failure $1,000,000 Data Recovery $1,000,000 Cyber-Extortion and Ransomware $1,000,000 Data Breach Response and Crisis Management Coverage $250,000 Consequential Reputational Loss - Period of Indemnity 6 Months w/2 Week Waiting $1,000,000 Bricking $100,000 Utility Fraud $100,000 Social Engineering Financial Fraud GDPR and CCPA Endorsement Amened Subsidiary Threshold - 20% Gross Revenue Reliance of Application	$33,737.65
Medicine Man Technologies, Inc dba Schwazze. and all Subsidiaries	Business Travel Accident	Berkley Life & Health Insurance Company	BTAL019200017401	6/22/2020 - 5/1/2021	Maximum Benefit: $10,000,000 24 Hour Business and Pleasure Per Covered Accident (non-Colorado Employees) $1,000,000 24 Hour Business Travel Only Per Covered Accident (all other Employees excluding Truck Drivers & Delivery Personnel) $250,000 Full Occupational Coverage Per Covered Accident (Full Occupational Coverage) $25,000	$5,691.00

Medicine Man Technologies, Inc. dba Schwazze	Cyber	Indian Harbor Insurance Company	MTP9041014-00	4/27/2020 - 5/1/2021	$1,000,000 Combined Policy Aggregate $1,000,000 Media - Retroactive Date: 04/27/2020 $1,000,000 Privavy and Cyber Security - Full Prior Acts $1,000,000 Privacy Regulatory Defense, Awards and Fines - Full Prior Acts $500,000 PCI DSS Coverage - Full Prior Acts $1,000,000 Business Interruption Extra Expense including Voluntary Shutdown $1,000,000 System Failure Business Income / Extra Expense $1,000,000 Dependent Business Interruption Extra Expense $1,000,000 $500,000 Dependent Business Interruption System Failure $1,000,000 Data Recovery $1,000,000 Cyber-Extortion and Ransomware $1,000,000 Data Breach Response and Crisis Management Coverage $250,000 Consequential Reputational Loss - Period of Indemnity 6 Months w/2 Week Waiting $1,000,000 Bricking $100,000 Utility Fraud $100,000 Social Engineering Financial Fraud GDPR and CCPA Endorsement Amened Subsidiary Threshold - 20% Gross Revenue Reliance of Application	$33,737.65
Medicine Man Technologies, Inc dba Schwazze. and all Subsidiaries	Business Travel Accident	Berkley Life & Health Insurance Company	BTAL019200017401	6/22/2020 - 5/1/2021	Maximum Benefit: $10,000,000 24 Hour Business and Pleasure Per Covered Accident (non-Colorado Employees) $1,000,000 24 Hour Business Travel Only Per Covered Accident (all other Employees excluding Truck Drivers & Delivery Personnel) $250,000 Full Occupational Coverage Per Covered Accident (Full Occupational Coverage) $25,000	$5,691.00

Schedule 5.11
Material Contracts

1. Master Supply Agreement, dated as of February 10, 2020, by and between Mesa Organics Ltd. and THChocolate LLC.

Schedule 5.16
Liens

Loan Party	*Lienholder*	*Encumbered Assets*
Medicine Man Technologies, Inc., a Nevada corporation	Eplus Technology, Inc.	Information technology equipment (purchase money security)
	Dye Capital & Company, LLC	All assets / blanket lien

Schedule 5.19
Equity Interests

(a)

Mesa Organics Ltd. (*"Purplebee's")*	
Member	*Membership Interests*
Medicine Man Technologies, Inc., a Nevada corporation (*"Schwazze")*	100%

PBS HoldCo LLC	
Member	*Membership Interests*
Schwazze	100%

Mesa Organics II Ltd.	
Member	*Membership Interests*
Purplebee's	100%

Mesa Organics III Ltd.	
Member	*Membership Interests*
Purplebee's	100%

Mesa Organics IV Ltd.	
Member	*Membership Interests*
Purplebee's	100%

SCG Holding, LLC	
Member	*Membership Interests*
Schwazze	100%

(b)
None.

Schedule 7.01(d)
Existing Debt

None.

Schedule 7.02(i)
Existing Liens

None.

Schedule 7.04
Investments(b)

1. Purplebee's owns 100% of the membership interests of Mesa Organics II Ltd.
2. Purplebee's owns 100% of the membership interests of Mesa Organics III Ltd.
3. Purplebee's owns 100% of the membership interests of Mesa Organics IV Ltd.

Exhibit 10.5

PROMISSORY NOTE

February 26, 2021

FOR VALUE RECEIVED, each of the undersigned (each a "***Borrower***" and collectively, the "***Borrowers***"), hereby jointly and severally promise to pay to the order of SHWZ Altmore, LLC, a Delaware limited liability company or its registered assigns (the "***Lender***"), the principal amount of each Loan from time to time made by the Lender to the Borrowers under and in accordance with that certain Loan Agreement dated February 26, 2021 (as amended, restated, supplemented or otherwise modified from time to time, the "***Loan Agreement***"), by and among the Borrowers, the Lender, and GGG Partners, LLC, as collateral agent for the Lenders (in such capacity, together with its successors and assigns in such capacity, the "***Collateral Agent***"), together with interest at the Applicable Rate and if and when applicable the Default Rate, and all other Obligations, in each case at the times the dates provided in the Loan Agreement; provided that all principal and interest remaining unpaid under this Promissory Note (this "***Promissory Note***") shall be payable in full on the Maturity Date, or such earlier date as may be required under the Loan Agreement. Terms used herein have the meanings assigned to those terms in the Loan Agreement, unless otherwise defined herein.

This Promissory Note is one of the Lender Notes referred to in, is executed and delivered pursuant to, and is entitled to the benefits of, the Loan Agreement, to which Loan Agreement reference is hereby made for a statement of the terms and conditions governing this Promissory Note, including, but not limited to the terms and conditions under which this Promissory Note may be prepaid or the Obligations accelerated or extended. The terms and conditions of the Loan Agreement are hereby incorporated in their entirety herein by reference as though fully set forth herein. This Promissory Note is also entitled to the benefits of the Guaranty and is secured by the Collateral.

All payments of principal and interest and other Obligations due to the Lender in respect of this Promissory Note shall be made to the Lender in lawful money of the United States of America in immediately available funds at the Payment Office for the account of the Lender in accordance with the terms of the Loan Agreement.

The transfer, sale or assignment of any rights under or interest or participations in this Promissory Note is subject to the restrictions contained in the Loan Agreement. **Lender** shall maintain the Borrowers' Account in accordance with the Loan Agreement, relating to the amounts owed by Borrowers under this Promissory Note. The records of the Lender with respect to the Borrowers' Account shall be conclusive evidence absent manifest error of the amounts of Loans and other charges thereto and of payments applicable thereto. Lender shall maintain the Participant Register in accordance with the Loan Agreement.

Upon the occurrence of certain Events of Default as more particularly described in the Loan Agreement, the unpaid principal amount evidenced by this Promissory Note together with all accrued and unpaid interest and all other Obligations to the Lender, shall become, and upon the occurrence and during the continuance of certain other Events of Default, such sums may be declared to be, due and payable in the manner, upon the conditions and with the effect provided in the Loan Agreement.

This Promissory Note and any claim, controversy, dispute, or cause of action (whether in contract or tort or otherwise) based upon, arising out of, or relating to this Promissory Note shall be governed by, and construed in accordance with, the laws of the State of Delaware, without regard to conflicts of laws principles.

The Borrowers, for themselves, and for each of their successors and assigns, hereby waive diligence, presentment, protest and demand and notice of protest, demand, dishonor and non-payment of this Note.

[Signature Page Follows]

IN WITNESS WHEREOF, the undersigned Borrowers have executed this Promissory Note as of the date first set forth above.

BORROWERS:

SCG Holding, LLC

By: /s/ Justin Dye
Name: Justin Dye
Title: Chief Executive Officer

PBS HoldCo LLC

By: /s/ Justin Dye
Name: Justin Dye
Title: Chief Executive Officer

Mesa Organics Ltd.

By: /s/ Justin Dye
Name: Justin Dye
Title: Chief Executive Officer

Mesa Organics II Ltd

By: /s/ Justin Dye
Name: Justin Dye
Title: Chief Executive Officer

Mesa Organics III Ltd

By: /s/ Justin Dye
Name: Justin Dye
Title: Chief Executive Officer

Mesa Organics IV Ltd

By: /s/ Justin Dye
Name: Justin Dye
Title: Chief Executive Officer

SECURITY AGREEMENT

This SECURITY AGREEMENT, dated as of February 26, 2021 (as amended, amended and restated, supplemented or otherwise modified from time to time in accordance with the provisions hereof, this "***Agreement***") made by and among SCG Holding, LLC, a Colorado limited liability company, PBS HoldCo LLC, a Colorado limited liability company, Mesa Organics Ltd., a Colorado limited liability company, Mesa Organics II Ltd, a Colorado limited liability company, Mesa Organics III Ltd, a Colorado limited liability company, and Mesa Organics IV Ltd, a Colorado limited liability company, as grantors, pledgors, assignors and debtors (together with any successors in such capacities, the "***Grantors***", and each, a "***Grantor***"), in favor of GGG Partners, LLC, a Georgia limited liability company, in its capacity as collateral agent pursuant to the Loan Agreement (as hereinafter defined), as pledgee, assignee and secured party (in such capacities and together with any successors in such capacities, the "***Collateral Agent***").

RECITALS

A. The Grantors, the Collateral Agent and SHWZ Altmore, LLC, a Delaware limited liability company (the "***Lender***"), have, in connection with the execution and delivery of this Agreement, entered into that certain Loan Agreement, dated as of the date hereof (as amended, amended and restated, supplemented or otherwise modified from time to time, the "***Loan Agreement***"); capitalized terms used but not otherwise defined herein shall have the meanings assigned to such terms in the Loan Agreement.

B. Each Grantor will receive substantial direct and indirect benefits from the execution, delivery and performance of the obligations under the Loan Agreement and the other Loan Documents and each is, therefore, willing to enter into this Agreement.

C. This Agreement is given by each Grantor in favor of the Collateral Agent for the ratable benefit of the Secured Parties (as hereinafter defined) to secure the payment and performance of all of the Secured Obligations.

D. It is a condition to the obligations of the Lender to make the Loans under the Loan Agreement, that each Grantor execute and deliver the applicable Loan Documents, including this Agreement.

NOW THEREFORE, in consideration of the foregoing premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, each Grantor and the Collateral Agent hereby agree as follows:

ARTICLE I
DEFINITIONS AND INTERPRETATION

Section 1.01 **Definitions**. Unless otherwise defined herein or in the Loan Agreement, capitalized terms used herein that are defined in the UCC shall have the meanings assigned to them in the UCC. However, if a term is defined in Article 9 of the UCC differently than in another Article of the UCC, the term has the meaning specified in Article 9. The following terms shall have the following meanings:

"***Agreement***" has the meaning set forth in the Preamble hereof.

"***Claims***" means any and all property and other taxes, assessments and special assessments, levies, fees and all governmental charges imposed upon or assessed against, and landlords', carriers', mechanics', workmen's, repairmen's, laborers', materialmen's, suppliers' and warehousemen's Liens and other claims arising by operation of law against, all or any portion of the Collateral.

"***Collateral***" has the meaning set forth in Section 2.01.

"***Collateral Agent***" has the meaning set forth in the Preamble hereof.

"***Collateral Support***" means all Property assigned, hypothecated or otherwise securing any Collateral and shall include any security agreement or other agreement granting a Lien or security interest in such Property.

"***Contested Liens***" means, collectively, any Liens incurred in respect of any Claims to the extent that the amounts owing in respect thereof are not yet delinquent or are being contested in good faith and with proper reserves established with respect thereto in accordance with GAAP and otherwise comply with the provisions of Section 4.13; provided, however, that such Liens shall in all respects be subject and subordinate in priority to the Lien and security interest created by this Agreement, except if and to the extent that the law or regulation creating, permitting or authorizing such Lien provides that such Lien must be superior to the Lien and security interest created and evidenced hereby.

"***Contracts***" means, collectively, with respect to each Grantor, the Intellectual Property Licenses, all sale, service, performance, equipment or property lease contracts, agreements and grants and all other contracts, agreements or grants (in each case, whether written or oral, or third party or intercompany), between such Grantor and any third party, and all assignments, amendments, restatements, supplements, extensions, renewals, replacements or modifications thereof.

"***Control***" means (i) with respect to any Deposit Account, "***control,***" within the meaning of Section 9-104 of the UCC, (ii) with respect to any Securities Account or Security Entitlement, control within the meaning of Section 9-106 of the UCC, (iii) with respect to any Uncertificated Security, control within the meaning of Section 8-106(c) of the UCC, (iv) with respect to any Certificated Security, control within the meaning of Section 8-106(a) or (b) of the UCC, (v) with respect to any Electronic Chattel Paper, control within the meaning of Section 9-105 of the UCC, (vi) with respect to Letter-of-Credit Rights, control within the meaning of Section 9-107 of the UCC, and (vii) with respect to any "***transferable record***" (as that term is defined in Section 201 of the Federal Electronic Signatures in Global and National Commerce Act or in Section 16 of the Uniform Electronic Transactions Act as in effect in any relevant jurisdiction), control within the meaning of Section 201 of the Federal Electronic Signatures in Global and National Commerce Act or in Section 16 of the Uniform Electronic Transactions Act as in effect in the jurisdiction relevant to such transferable record.

"***Copyrights***" means, collectively, with respect to each Grantor, all copyrights (whether statutory or common law, whether established or registered in the United States or any other country or any political subdivision thereof, whether registered or unregistered and whether published or unpublished) including those listed in Schedule 6 hereof, all tangible embodiments of the foregoing and all copyright registrations and applications made by such Grantor, in each case, whether now owned or hereafter created or acquired by or assigned to such Grantor, together with any and all (i) rights and privileges arising under applicable law and international treaties and conventions with respect to such Grantor's use of such copyrights, (ii) reissues, renewals, continuations and extensions thereof and amendments thereto, (iii) income, fees, royalties, damages, claims and payments now or hereafter due and/or payable with respect thereto, including damages and payments for past, present or future infringements thereof, (iv) rights corresponding thereto throughout the world and (v) rights to sue for past, present or future infringements thereof.

"***Deposit Account Control Agreement***" means an agreement in such form and substance as is reasonably satisfactory to the Collateral Agent establishing the Collateral Agent's Control with respect to any Deposit Account.

"***Deposit Accounts***" means, collectively, with respect to each Grantor, all "***deposit accounts***" as such term is defined in the UCC, now or hereafter held in the name of such Grantor.

"***Distributions***" means, collectively, with respect to each Grantor, all dividends, cash, options, warrants, rights, instruments, distributions, returns of capital or principal, income, interest, profits and other property, interests (debt or equity) or proceeds, including as a result of a split, revision, reclassification or other like change of the Pledged Securities, from time to time received, receivable or otherwise distributed or distributable to such Grantor in respect of or in exchange for any or all of the Pledged Securities or Pledged Debt.

"***Excluded Accounts***" means (i) Deposit Accounts used solely as trust, fiduciary, escrow or tax payment (including, without limitation, sales tax payment) accounts solely for the benefit of the Grantors, (ii) Deposit Accounts used solely for payroll, payroll taxes and other employee wage or employee benefit payments to or for the benefit of any Grantors' employees, and (iii) Deposit Accounts which individually, at any time, have a balance of less than $10,000, and together, at any time, have an aggregate balance of less than $50,000.

"***Excluded Property***" means, collectively:

(i) any lease, license or other agreement or Contract or any property subject to a purchase money security interest, Lien securing a Capital Lease Obligation or similar arrangement, in each case permitted to be incurred under the Loan Agreement, to the extent that a grant of a security interest or Lien therein would require a consent not obtained or violate or invalidate such lease, license or agreement or Contract or purchase money arrangement, Capital Lease Obligation or similar arrangement or create a right of termination in favor of any other party thereto (other than another Grantor), in each case after giving effect to the applicable anti-assignment provisions of the UCC and other applicable law and other than Proceeds and receivables thereof, the assignment of which is expressly deemed effective under the UCC or other applicable law notwithstanding such prohibition;

(ii) any United States intent-to-use Trademark applications to the extent that, and solely during the period in which, the grant, attachment or enforcement of a security interest therein would, under applicable federal law, impair the registrability of such applications or the validity or enforceability of registrations issuing from such applications;

(iii) motor vehicles and other assets subject to certificates of title (other than to the extent a Lien thereon can be perfected by the filing of a financing statement under the UCC);

(iv) those assets as to which the Collateral Agent shall reasonably determine, in writing, that the cost of obtaining a Lien thereon or perfection thereof are excessive in relation to the benefit to the Secured Parties of the security to be afforded thereby;

(v) any asset or property to the extent that the grant of a security interest is prohibited by applicable law, rule or regulation or requires a consent not obtained of any Governmental Authority pursuant to such applicable law, rule or regulation, in each case after giving effect to the applicable anti-assignment provisions of the UCC and other applicable law and other than Proceeds and receivables thereof, the assignment of which is expressly deemed effective under the UCC or other applicable law notwithstanding such prohibition;

(vi) any real property or real property interests owned in fee for which a mortgage is not required under the Loan Agreement and any leasehold interests in real property;

(vii) assets not located in the United States that require action under the law of any jurisdiction not located in the United States to create or perfect a security interest or Lien in such assets, which shall, for the avoidance of doubt, include intellectual property not registered in the United States;

(viii) Commercial Tort Claims with a value of less than $100,000 in the aggregate;

(ix) any Excluded Accounts; and

(x) Letter of Credit Rights (other than those that constitute Supporting Obligations as to other Collateral) with a value of less than $100,000 in the aggregate;

To the extent that such property constitutes "***Excluded Property***" due to the failure of a Grantor to obtain consent as described in subsections (i) and (v), such Grantor shall use commercially reasonable efforts to obtain such consent, and, upon obtaining such consent, such property shall cease to constitute "***Excluded Property***".

"***First Priority***" means, with respect to any Lien purported to be created in any Collateral pursuant to this Agreement, such Lien is the most senior lien to which such Collateral is subject (subject only to Liens permitted under the Loan Agreement).

"***Grantor***" has the meaning set forth in the Preamble hereof.

"***Intellectual Property Collateral***" means, collectively, the Patents, Trademarks (excluding only United States intent-to-use Trademark applications to the extent that and solely during the period in which the grant of a security interest therein would impair, under applicable federal law, the registrability of such applications or the validity or enforceability of registrations issuing from such applications), Copyrights, Trade Secrets, Intellectual Property Licenses and all other industrial, intangible and intellectual property of any type, including mask works and industrial designs.

"***Intellectual Property Licenses***" means, collectively, with respect to each Grantor, all license and distribution agreements (excluding any commercially available "off-the-shelf software licenses) with, and covenants not to sue, any other party with respect to any Patent, Trademark, Copyright or Trade Secret or any other patent, trademark, copyright or trade secret, whether such Grantor is a licensor or licensee, distributor or distributee under any such license or distribution agreement, including such agreements listed in Schedule 6 hereof, together with any and all (i) renewals, extensions, supplements and continuations thereof, (ii) income, fees, royalties, damages, claims and payments now and hereafter due and/or payable thereunder and with respect thereto including damages and payments for past, present or future infringements or violations thereof, (iii) rights to sue for past, present and future infringements or violations thereof and (iv) other rights to use, exploit or practice any or all of the Patents, Trademarks, Copyrights or Trade Secrets or any other patent, trademark, copyright or trade secret.

"***Intellectual Property Security Agreement***" means an agreement substantially in the form of Exhibit D hereto.

"***Joinder Agreement***" means an agreement substantially in the form of Exhibit A hereto.

"***Lender***" has the meaning set forth in the first Recital hereof.

"***Loan Agreement***" has the meaning set forth in the first Recital hereof.

"***Patents***" means, collectively, with respect to each Grantor, all patents issued or assigned to, and all patent applications and registrations made by, such Grantor including those listed in Schedule 6 hereof (whether issued, established or registered or recorded in the United States or any other country or any political subdivision thereof) and all tangible embodiments of the foregoing, together with any and all (i) rights and privileges arising under applicable law and international treaties and conventions with respect to such Grantor's use of any patents, (ii) inventions and improvements described and claimed therein, (iii) reissues, divisions, continuations, renewals, extensions and continuations-in-part thereof and amendments thereto, (iv) income, fees, royalties, damages, claims and payments now or hereafter due and/or payable thereunder and with respect thereto including damages and payments for past, present or future infringements thereof, (v) rights corresponding thereto throughout the world and (vi) rights to sue for past, present or future infringements thereof.

"***Pledged Debt***" means, with respect to each Grantor, all Debt (including intercompany notes but excluding any Debt permitted under the Loan Agreement or Debt owed to an Affiliate of a Grantor incurred in the ordinary course of business) from time to time owed to such Grantor by any obligor, including the Debt described in Schedule 2 hereof and issued by the obligors named therein, and all interest, cash, instruments and other property, assets or proceeds from time to time received, receivable or otherwise distributed or distributable in respect of or in exchange for any or all of such Debt and all certificates, instruments or agreements evidencing such Debt, and all assignments, amendments, restatements, supplements, extensions, renewals, replacements or modifications thereof.

"***Pledged Securities***" means, collectively, with respect to each Grantor, (i) all issued and outstanding Equity Interests of each issuer that are owned by such Grantor and all options, warrants, rights, agreements and additional Equity Interests of whatever class of any such issuer acquired by such Grantor in any manner, together with all claims, rights, privileges, authority and powers of such Grantor relating to such Equity Interests in each such issuer or under any Organizational Document of each such issuer, and the certificates, instruments and agreements representing such Equity Interests and any and all interest of such Grantor in the entries on the books of any financial intermediary pertaining to such Equity Interests, including the Equity Interests listed in Schedule 2 hereof, (ii) all additional Equity Interests of any issuer from time to time acquired by or issued to such Grantor and all options, warrants, rights, agreements and additional Equity Interests of whatever class of any such issuer from time to time acquired by such Grantor in any manner, together with all claims, rights, privileges, authority and powers of such Grantor relating to such Equity Interests or under any Organizational Document of any such issuer, and the certificates, instruments and agreements representing such Equity Interests and any and all interest of such Grantor in the entries on the books of any financial intermediary pertaining to such Equity Interests, from time to time acquired by such Grantor in any manner, and (iii) all Equity Interests issued in respect of the Equity Interests referred to in subsection (i) or (ii) upon any consolidation or merger of any issuer of such Equity Interests/all Equity Interests of any successor Subsidiary owned by such Grantor (unless such Grantor is the surviving entity) formed by or resulting from any consolidation or merger in which any Person listed in Schedule 2 hereof is not the surviving entity.

"***Receivables***" means all (i) Accounts, (ii) Chattel Paper, (iii) Payment Intangibles, (iv) Instruments, (v) General Intangibles, and (vi) to the extent not otherwise covered above, all other rights to payment, whether or not earned by performance, for goods or other property sold, leased, licensed, assigned or otherwise disposed of, or services rendered or to be rendered, regardless of how classified under the UCC together with all of Grantors' rights, if any, in any goods or other property giving rise to such right to payment and all Collateral Support and Supporting Obligations related thereto and all Records relating thereto.

"***Related Parties***" means, with respect to any Person, such Person's Affiliates and the directors, officers, employees, partners, agents, trustees, administrators, managers, advisors and representatives of it and its Affiliates.

"***Secured Obligations***" means (i) the Obligations of the Loan Parties from time to time arising under the Loan Agreement, and (ii) to the extent not deemed to be included in the immediately preceding clause (i), the due and prompt payment of (A) the principal of and premium, if any, and interest (including interest accruing during the pendency of any bankruptcy, insolvency, receivership or other similar proceeding, regardless of whether allowed or allowable in such proceeding ("***Postpetition Interest***")) on the Loans, when and as due, whether at maturity, by acceleration, upon one or more dates set for prepayment or otherwise and (B) all other monetary obligations, including fees, costs, attorneys' fees and disbursements, reimbursement obligations, contract causes of action, expenses and indemnities, whether primary, secondary, direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising, fixed or otherwise (including monetary obligations incurred during the pendency of any bankruptcy, insolvency, receivership or other similar proceeding, regardless of whether allowed or allowable in such proceeding), of the Grantors and the other Loan Parties under or in respect of any Loan Document, and (iii) the due and prompt performance of all other covenants, duties, debts, obligations and liabilities of any kind of the Grantors and the other Loan Parties, individually or collectively, under or in respect of the Loan Agreement, this Agreement, the other Loan Documents or any other document made, delivered or given in connection with any of the foregoing, in each case whether evidenced by a note or other writing, whether allowed in any bankruptcy, insolvency, receivership or other similar proceeding, whether arising from an extension of credit, issuance of a letter of credit, acceptance, loan, guaranty, indemnification or otherwise, and whether primary, secondary, direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising, fixed or otherwise.

"***Secured Parties***" means, collectively, the Collateral Agent and the Lender.

"***Securities Collateral***" means, collectively, the Pledged Securities, the Pledged Debt, and the Distributions.

"***Trade Secrets***" means, collectively, with respect to each Grantor, all know-how, trade secrets, manufacturing and production processes and techniques, inventions, research and development information, technical, marketing, financial and business data and databases, pricing and cost information, business and marketing plans, customer and supplier lists and information, all other confidential and proprietary information and all tangible embodiments of the foregoing, together with any and all (i) rights and privileges arising under applicable law and international treaties and conventions with respect to such trade secrets, (ii) income, fees, royalties, damages, claims and payments now or hereafter due and/or payable with respect thereto including damages and payments for past, present or future misappropriations thereof, (iii) rights corresponding thereto throughout the world and (iv) rights to sue for past, present or future misappropriations thereof.

"***Trademarks***" means, collectively, with respect to each Grantor, all trademarks (including service marks), slogans, logos, symbols, certification marks, collective marks, trade dress, uniform resource locators (URL's), domain names, corporate names and trade names, whether statutory or common law, whether registered or unregistered and whether established or registered in the United States or any other country or any political subdivision thereof, including those listed in Schedule 6 hereof, that are owned by or assigned to such Grantor, all registrations and applications for the foregoing and all tangible embodiments of the foregoing, together with, in each case, the goodwill symbolized thereby and any and all (i) rights and privileges arising under applicable law and international treaties and conventions with respect to such Grantor's use of any trademarks, (ii) reissues, continuations, extensions and renewals thereof and amendments thereto, (iii) income, fees, royalties, damages and payments now and hereafter due and/or payable thereunder and with respect thereto, including damages, claims and payments for past, present or future infringements thereof, (iv) rights corresponding thereto throughout the world, and (v) rights to sue for past, present and future infringements thereof.

"***UCC***" means the Uniform Commercial Code as in effect from time to time in the State of Delaware; provided, however, that if by reason of mandatory provisions of law, any or all of the perfection or priority of the Collateral Agent's security interest in any item or portion of the Collateral is governed by the Uniform Commercial Code as in effect in a jurisdiction other than the State of Delaware, the term "***UCC***" means the Uniform Commercial Code as in effect from time to time in such other jurisdiction for purposes of the provisions hereof relating to such perfection or priority and for purposes of definitions relating to such provisions.

Section 1.02 **Interpretation**. The rules of interpretation specified in the Loan Agreement (including Section 1.02 thereof) shall be applicable to this Agreement. All references in this Agreement to Sections are references to Sections of this Agreement unless otherwise specified.

Section 1.03 **Resolution of Drafting Ambiguities**. Each Grantor acknowledges and agrees that it was represented by counsel in connection with the execution and delivery of this Agreement, that it and its counsel reviewed and participated in the preparation and negotiation of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party (i.e., the Collateral Agent) shall not be employed in the interpretation of this Agreement.

Section 1.04 **Schedules**. The Collateral Agent and each Grantor agree that the Schedules hereof and all descriptions of Collateral contained in the Schedules and all amendments and supplements thereto are and shall at all times remain a part of this Agreement.

ARTICLE II
GRANT OF SECURITY INTEREST

Section 2.01 **Grant of Security Interest**. As collateral security for the payment and performance in full of all the Secured Obligations, each Grantor hereby pledges to the Collateral Agent for the ratable benefit of the Secured Parties, and grants to the Collateral Agent for the ratable benefit of the Secured Parties a Lien on and security interest in and to, all of the right, title and interest of such Grantor in, to and under the following property, wherever located, and whether now existing or hereafter arising or acquired from time to time (collectively, the "***Collateral***"):

(a) all Accounts;

(b) all Equipment, Goods, Inventory and Fixtures;

(c) all Documents, Instruments and Chattel Paper;

(d) all Letters of Credit and Letter-of-Credit Rights with a value in excess of $100,000 in the aggregate;

(e) all Securities Collateral;

(f) all Investment Property;

(g) all Intellectual Property Collateral;

(h) all General Intangibles;

(i) all Money and all Deposit Accounts;

(j) all Supporting Obligations;

(k) all books and records, customer lists, credit files, computer files, programs, printouts and other computer materials and records relating to the Collateral and any General Intangibles at any time evidencing or relating to any of the foregoing; and

(l) to the extent not covered by subsections (a) through (k) of this sentence, all other assets, personal property and rights of such Grantor, whether tangible or intangible, all Proceeds and products of each of the foregoing and all accessions to, substitutions and replacements for, and rents, profits and products of, each of the foregoing, and any and all Proceeds of any insurance, indemnity, warranty or guaranty payable to such Grantor from time to time with respect to any of the foregoing.

Notwithstanding anything to the contrary contained in subsections (a) through (l) above, the security interest created by this Agreement shall not extend to, and the term "***Collateral***" shall not include, any Excluded Property, provided that, if any Excluded Property would have otherwise constituted Collateral, when such property shall cease to be Excluded Property, such property shall be deemed at all times from and after the date hereof to constitute Collateral.

The Grantors shall from time to time at the reasonable request of the Collateral Agent give written notice to the Collateral Agent identifying in reasonable detail the Excluded Property (and stating in such notice that such Excluded Property constitutes "***Excluded Property***") and shall provide to the Collateral Agent such other information regarding the Excluded Property as the Collateral Agent may reasonably request.

From and after the Closing Date, no Grantor shall permit to become effective, in any lease or Material Contract, a provision that would prohibit or require the consent of any Person to the grant of a Lien on such lease or Material Contract or other agreement in favor of the Collateral Agent.

Section 2.02 Filings.

(a) Each Grantor hereby irrevocably authorizes the Collateral Agent at any time and from time to time to file in any relevant jurisdiction any financing statements (including fixture filings) and amendments thereto that contain the information required by Article 9 of the UCC of each applicable jurisdiction for the filing of any financing statement or amendment relating to the Collateral, including (i) whether such Grantor is an organization, the type of organization and any organizational identification number issued to such Grantor, (ii) any financing or continuation statements or other documents for the purpose of perfecting, confirming, continuing, enforcing or protecting the security interest granted by such Grantor hereunder, without the signature of such Grantor where permitted by law, including the filing of a financing statement describing the Collateral as "***all assets now owned or hereafter acquired by the Grantor or in which the Grantor otherwise has rights***" and (iii) in the case of a financing statement filed as a fixture filing or covering Collateral constituting minerals or the like to be extracted or timber to be cut, a sufficient description of the real property to which such Collateral relates. Each Grantor agrees to provide all information described in the immediately preceding sentence to the Collateral Agent promptly upon request by the Collateral Agent.

(b) Each Grantor hereby further authorizes the Collateral Agent to file with the United States Patent and Trademark Office and the United States Copyright Office (and any successor office and any similar office in any United States state or other country) this Agreement, the Intellectual Property Security Agreement, and other documents for the purpose of perfecting, confirming, continuing, enforcing or protecting the security interest granted by such Grantor hereunder, without the signature of such Grantor where permitted by law, and naming such Grantor as debtor, and the Collateral Agent as secured party.

ARTICLE III
PERFECTION AND FURTHER ASSURANCES

Section 3.01 **Perfection of Certificated Securities Collateral**. Each Grantor represents and warrants that all certificates, agreements or instruments representing or evidencing the Securities Collateral in existence on the date hereof have been delivered to the Collateral Agent in suitable form for transfer by delivery or accompanied by duly executed undated instruments of transfer or assignment in blank and that (assuming continuing possession by the Collateral Agent of any such Securities Collateral) the Collateral Agent has a perfected First Priority security interest therein. Each Grantor hereby agrees that all certificates, agreements or instruments representing or evidencing the Securities Collateral acquired by such Grantor after the date hereof, shall promptly upon (and in any event within 10 days following) receipt thereof by such Grantor be held by or on behalf of and delivered to the Collateral Agent in suitable form for transfer by delivery or accompanied by duly executed undated instruments of transfer or assignment in blank, all in form and substance reasonably satisfactory to the Collateral Agent.

The Collateral Agent shall have the right, at any time upon the occurrence and during the continuance of any Event of Default, to endorse, assign or otherwise transfer to or to register in the name of the Collateral Agent or any of its nominees or endorse for negotiation any or all of the Securities Collateral, without any indication that such Securities Collateral is subject to the security interest hereunder; provided, that after any such Event of Default has been waived in accordance with the provisions of the Loan Agreement and to the extent the Collateral Agent has exercised its rights under this sentence, the Collateral Agent shall, promptly after the reasonable request of the applicable Grantor(s), cause such Securities Collateral to be transferred to, or request that such Securities Collateral is registered in the name of, the applicable Grantor(s) to the extent it or its nominees holds an interest in such Securities Collateral at such time. In addition, at any time, the Collateral Agent shall have the right to exchange certificates representing or evidencing Securities Collateral for certificates of smaller or larger denominations.

Section 3.02 **Perfection of Uncertificated Securities Collateral**. Each Grantor represents and warrants that the Collateral Agent has a perfected First Priority security interest in all uncertificated Pledged Securities pledged by it hereunder that are in existence on the date hereof. Each Grantor hereby agrees that if reasonably requested by the Collateral Agent, request the issuer of such Pledged Securities to cause such Pledged Securities to become certificated and in the event such Pledged Securities become certificated, to deliver such Pledged Securities to the Collateral Agent in accordance with the provisions of Section 3.01. Each Grantor hereby agrees, with respect to Pledged Securities that are partnership interests or limited liability company interests, that after the occurrence and during the continuance of any Event of Default, upon request by the Collateral Agent, such Grantor will (A) cause the Organizational Documents of each issuer that is a Subsidiary of a Grantor to be amended to provide that such Pledged Securities shall be treated as "***securities***" for purposes of the UCC and (B) cause such Pledged Securities to become certificated and delivered to the Collateral Agent in accordance with the provisions of Section 3.01.

Section 3.03 **Maintenance of Perfected Security Interest**. Each Grantor represents and warrants that on the date hereof all financing statements, agreements (including the Intellectual Property Security Agreement), instruments and other documents necessary to perfect the security interest granted by it to the Collateral Agent in respect of the Collateral have been delivered to the Collateral Agent in completed and, to the extent necessary or appropriate, duly executed form for filing in each governmental, municipal or other office specified in Schedule 3 hereof. Each Grantor agrees that at its sole cost and expense, such Grantor will maintain the security interest created by this Agreement in the Collateral as a perfected First Priority security interest.

Section 3.04 **Other Actions for Perfection**. In order to further insure the attachment, perfection and priority of, and the ability of the Collateral Agent to enforce, the Collateral Agent's security interest in the Collateral, each Grantor represents and warrants (as to itself) as follows and agrees, in each case at such Grantor's own expense, to take the following actions with respect to the following Collateral:

(a) **Instruments and Tangible Chattel Paper**. (i) As of the date hereof, no amounts payable in excess of $25,000 to such Grantor under or in connection with any of the Collateral are evidenced by any Instrument or Tangible Chattel Paper other than Instruments and Tangible Chattel Paper listed on Schedule 4 hereof and (ii) each Instrument and each item of Tangible Chattel Paper listed on Schedule 4 hereof, has been properly endorsed, assigned and delivered to the Collateral Agent, accompanied by undated instruments of transfer or assignment duly executed in blank. If any amount then payable under or in connection with any of the Collateral shall be evidenced by any Instrument or Tangible Chattel Paper, the Grantor acquiring such Instrument or Tangible Chattel Paper shall promptly (but in any event within ten Business Days after receipt thereof by such Grantor) endorse, assign and deliver the same to the Collateral Agent, accompanied by such undated instruments of transfer or assignment duly executed in blank as the Collateral Agent may from time to time specify.

(b) **Deposit Accounts**. (i) As of the date hereof, no Grantor has opened or maintains any Deposit Accounts other than the accounts listed in Schedule 8 hereof and (ii) the Collateral Agent has a perfected First Priority security interest in each Deposit Account listed in Schedule 8 hereof which security interest is perfected by Control. No Grantor shall hereafter establish and maintain any Deposit Account unless (1) the applicable Grantor shall have given the Collateral Agent 15 days prior written notice of its intention to establish such new Deposit Account with a depository bank, and (2) unless the Collateral Agent agrees in writing that it is not required, such depository bank and such Grantor shall within 15 days of the opening of such new Deposit Account deliver to Collateral Agent an executed Deposit Account Control Agreement with respect to such Deposit Account. No Grantor shall grant Control of any Deposit Account to any Person other than the Collateral Agent.

(c) **Investment Property**.

(i) As of the date hereof, (1) no Grantor has any Securities Accounts or Commodity Accounts, and (2) no Grantor holds, owns or has any interest in any certificated securities or uncertificated securities other than those constituting Pledged Securities. No Grantor shall hereafter establish or maintain any Securities Account or Commodity Account with any Securities Intermediary or Commodity Intermediary unless (A) the applicable Grantor shall have given the Collateral Agent 30 days prior written notice of its intention to establish such new Securities Account or Commodity Account with such Securities Intermediary or Commodity Intermediary, and (B) unless the Collateral Agent agrees in writing that it is not required, such Securities Intermediary or Commodity Intermediary, as the case may be, and such Grantor shall within 15 days of opening such Commodity Account with such Securities Intermediary or Commodity Intermediary deliver to Collateral Agent a duly executed control agreement in form and substance reasonably acceptable with respect to such Securities Account or Commodity Account, as the case may be. Each Grantor shall accept any cash and Investment Property in trust for the benefit of the Collateral Agent and within ten (10) Business Days of actual receipt thereof, deposit any and all cash and Investment Property received by it into a Deposit Account or Securities Account subject to the Collateral Agent's Control. No Grantor shall grant Control over any Investment Property to any Person other than the Collateral Agent.

(ii) If any Grantor shall at any time hold or acquire any certificated securities constituting Investment Property, such Grantor shall promptly (1) endorse, assign and deliver the same to the Collateral Agent, accompanied by such undated instruments of transfer or assignment duly executed in blank, all in form and substance reasonably satisfactory to the Collateral Agent or (2) deliver such securities into a Securities Account with respect to which a control agreement in form and substance acceptable to the Collateral Agent is in effect in favor of the Collateral Agent.

(iii) If any securities now or hereafter acquired by any Grantor constituting Investment Property are uncertificated and are issued to such Grantor or its nominee directly by the issuer thereof, such Grantor shall promptly notify the Collateral Agent thereof and pursuant to an agreement in form and substance reasonably satisfactory to the Collateral Agent, either (1) cause the issuer to agree to comply with instructions from the Collateral Agent as to such securities, without further consent of any Grantor or such nominee, (2) cause a Security Entitlement with respect to such uncertificated security to be held in a Securities Account with respect to which the Collateral Agent has Control or (3) arrange for the Collateral Agent to become the registered owner of such securities.

(d) **Electronic Chattel Paper and Transferable Records**. As of the date hereof, no amount under or in connection with any of the Collateral is evidenced by any Electronic Chattel Paper or any "***transferable record***" (as that term is defined in Section 201 of the Federal Electronic Signatures in Global and National Commerce Act, or in Section 16 of the Uniform Electronic Transactions Act as in effect in any relevant jurisdiction) in excess of $100,000 other than such Electronic Chattel Paper and transferable records listed on Schedule 4 hereof.

Each Grantor will maintain all (i) Electronic Chattel Paper in excess of $100,000 so that the Collateral Agent has Control of the Electronic Chattel Paper and (ii) all transferable records so that the Collateral Agent has Control of the transferable records.

(e) **Letter-of-Credit Rights**. If any Grantor is at any time a beneficiary under a Letter of Credit now or hereafter issued in favor of such Grantor, such Grantor shall promptly notify the Collateral Agent thereof and such Grantor shall maintain all Letter-of-Credit Rights (when the value of such Letter of Credit Rights, when combined with all such other Letter of Credit Rights, exceeds $100,000 in the aggregate) assigned to the Collateral Agent so that the Collateral Agent has Control of the Letter-of-Credit Rights.

(f) **Commercial Tort Claims**. On the date hereof, no Grantor holds any Commercial Tort Claim which might reasonably result in awarded damages (less any and all legal and other expenses incurred or reasonably expected to be incurred by such Grantor) in excess of $100,000 that is not listed on Schedule 9. Each Grantor will promptly give notice to the Collateral Agent of any Commercial Tort Claim (when the value of such Commercial Tort Claim, when combined with all such other Commercial Tort Claims, exceeds $100,000 in the aggregate) that is commenced in the future and will immediately execute or otherwise authenticate a supplement to this Agreement, and otherwise take all necessary action, to subject such Commercial Tort Claim to the First Priority security interest created under this Agreement.

(g) **Landlord's Access Agreements/Bailee Letters**. Each Grantor shall obtain as soon as practicable after the date hereof with respect to each location where such Grantor maintains Collateral in excess of $100,000, a bailee letter and/or landlord access agreement, as applicable, and use commercially reasonable efforts to obtain a bailee letter, landlord access agreement and/or landlord's lien waiver, as applicable, from all such bailees and landlords, as applicable, who from time to time have possession of Collateral in the ordinary course of such Grantor's business and if requested by the Collateral Agent.

Section 3.05 **Joinder of Additional Grantors**. The Grantors shall cause each Subsidiary of a Grantor which, from time to time, after the date hereof shall be required to pledge any assets to the Collateral Agent for the ratable benefit of the Secured Parties pursuant to the provisions of the Loan Agreement, to execute and deliver to the Collateral Agent a Joinder Agreement within 30 days of the date on which it was acquired or created and, upon such execution and delivery, such Subsidiary shall constitute a "***Grantor***" for all purposes hereunder with the same force and effect as if originally named as a Grantor herein. Upon the execution and delivery by any Subsidiary of a Joinder Agreement, the supplemental schedules attached to such Joinder Agreement shall be incorporated into and become part of and supplement the Schedules to this Agreement and each reference to such Schedules shall mean and be a reference to such Schedules as supplemented pursuant to each Joinder Agreement and from time to time. The execution and delivery of such Joinder Agreement shall not require the consent of any Grantor hereunder. The rights and obligations of each Grantor hereunder shall remain in full force and effect notwithstanding the addition of any new Grantor as a party to this Agreement.

Section 3.06 Further Assurances.

(a) **Further Assurances**. Each Grantor shall take such further actions, and execute and/or deliver to the Collateral Agent such additional financing statements, amendments, assignments, agreements, supplements, powers and instruments, as the Collateral Agent may deem necessary or appropriate in order to create and/or maintain the validity, perfection or priority of and protect any security interest granted or purported to be granted in the Collateral as provided herein and the rights and interests granted to the Collateral Agent hereunder, and enable the Collateral Agent to exercise and enforce its rights, powers and remedies hereunder with respect to any Collateral, including the filing of any financing statements, continuation statements and other documents under the UCC (or other similar laws) in effect in any jurisdiction with respect to the security interest created hereby, the filing of the Intellectual Property Security Agreement and supplemental Intellectual Property Security Agreements with the United States Patent and Trademark Office and the United States Copyright Office and the execution and delivery of control agreements in favor of the Collateral Agent with respect to Securities Accounts, Commodities Accounts and Deposit Accounts, all in a form satisfactory to the Collateral Agent and in such offices wherever required by law to perfect, continue and maintain the validity, enforceability and priority of the security interest in the Collateral as provided herein and to preserve the other rights and interests granted to the Collateral Agent hereunder, as against third parties, with respect to the Collateral. Without limiting the generality of the foregoing, but subject to applicable law, each Grantor shall make, execute, endorse, acknowledge, file or refile and/or deliver to the Collateral Agent from time to time upon request by the Collateral Agent such lists, schedules, descriptions and designations of the Collateral, statements, copies of warehouse receipts, bills of lading, documents of title, vouchers, invoices, schedules, confirmatory assignments, supplements, additional security agreements, conveyances, financing statements, transfer endorsements, powers of attorney, certificates, reports and other assurances or instruments as the Collateral Agent shall reasonably request. If an Event of Default has occurred and is continuing, the Collateral Agent may institute and maintain, in its own name or in the name of any Grantor, such suits and proceedings as the Collateral Agent may deem necessary or expedient to prevent any impairment of the security interest in or the perfection thereof in the Collateral. All of the foregoing shall be at the sole cost and expense of the Grantors.

(b) **Report**. Within 30 days after the request of the Collateral Agent, but no more frequently than once per calendar quarter, the Grantors shall furnish the Collateral Agent with a report listing for such quarter:

(i) any Subsidiary formed or acquired by any Grantor;

(ii) any certificated securities, uncertificated securities, other equity interests or Debt not held in a Securities Account acquired by any Grantor;

(iii) any change in name or jurisdiction of organization of any Grantor as permitted by the Loan Documents;

(iv) any new location of Inventory or Equipment of any Grantor;

(v) all Promissory Notes, Instruments or Chattel Paper in excess of $100,000 received by any Grantor;

(vi) any Securities Account, Commodities Account or Deposit Account opened by any Grantor;

(vii) all applications for and registration received by any Grantor in respect of any Intellectual Property;

(viii) any Letter of Credit Rights in excess of $100,000 acquired by any Grantor; and

(ix) any Commercial Tort Claims in excess of $100,000 acquired by any Grantor.

ARTICLE IV
REPRESENTATIONS, WARRANTIES AND COVENANTS

Each Grantor represents, warrants and covenants as follows:

Section 4.01 **Loan Agreement Representations**. Each Grantor makes the representations and warranties set forth in Article V of the Loan Agreement as they relate to the Grantors or to the Loan Documents to which any Grantor is a party, each of which is hereby incorporated herein by reference, and the Collateral Agent and the Secured Parties shall be entitled to rely on each of them as if they were fully set forth herein.

Section 4.02 **Ownership of Property and No Other Liens**.

(a) Each Grantor has fee simple title to, or a valid leasehold interest in, all its real property, and good title to, or a valid leasehold interest in, all its Collateral, and none of such property is subject to any Lien, claim, option or right of others, except for the security interest granted to the Collateral Agent for the ratable benefit of the Secured Parties and Liens permitted under the Loan Agreement. No Person other than the Collateral Agent has control or possession of all or any part of the Collateral, except as permitted by the Loan Agreement.

(b) None of the Collateral constitutes, or is the Proceeds of, (i) Farm Products, (ii) As-Extracted Collateral, (iii) Manufactured Homes, (iv) Health-Care-Insurance Receivables, (v) timber to be cut, (vi) aircraft, aircraft engines, satellites, ships or railroad rolling stock. None of the account debtors or other Persons obligated on any of the Collateral is a Governmental Authority covered by the Federal Assignment of Claims Act or like federal, state or local statute or rule in respect of such Collateral.

Section 4.03 **Perfected First Priority Security Interest**. This Agreement is effective to create in favor of the Collateral Agent for the ratable benefit of the Secured Parties, a legal, valid and enforceable security interest in the Collateral and the Proceeds thereof. In the case of the certificated Pledged Securities, when stock certificates representing such Pledged Securities are delivered to the Collateral Agent and in the case of the other Collateral, when financing statements and other filings specified on Schedule 3 hereof in appropriate form are filed in the offices specified on Schedule 3 hereof and other actions described in Schedule 3 hereof are taken, this Agreement shall constitute, and will at all times constitute, a fully perfected First Priority Lien on, and security interest in, all rights, title and interest of the Grantors in such Collateral and the Proceeds thereof, as security for the Secured Obligations.

Section 4.04 **No Transfer of Collateral**. No Grantor shall sell, offer to sell, dispose of, convey, assign or otherwise transfer, or grant any option with respect to, restrict, or grant, create, permit or suffer to exist any Lien on, any of the Collateral pledged by it hereunder or any interest therein except as permitted by the Loan Agreement.

Section 4.05 **Claims Against Collateral**. Each Grantor shall, at its own cost and expense, defend title to the Collateral and the First Priority security interest and Lien granted to the Collateral Agent with respect thereto against all claims and demands of all Persons at any time claiming any interest therein adverse to the Collateral Agent or any other Secured Party other than Liens permitted under the Loan Agreement. Except as expressly permitted by the Loan Agreement or any other Loan Document, there is no agreement to which any Grantor is a party, order, judgment or decree, and no Grantor shall enter into any agreement or take any other action, that could reasonably be expected to restrict the transferability of any of the Collateral or otherwise impair or conflict with such Grantors' obligations or the rights of the Collateral Agent hereunder.

Section 4.06 **Other Financing Statements**. No financing statement or other instrument similar in effect covering all or any part of the Collateral or listing such Grantor as debtor is on file in any recording office, except such as have been filed in favor of the Collateral Agent pursuant to this Agreement or as otherwise permitted under the Loan Agreement. No Grantor shall execute, authorize or permit to be filed in any recording office any financing statement or other instrument similar in effect covering all or any part of the Collateral or listing such Grantor as debtor with respect to all or any part of the Collateral, except financing statements and other instruments filed in respect of Liens permitted under the Loan Agreement.

Section 4.07 **Changes in Name, Jurisdiction of Organization, Etc**.

(a) On the date hereof, such Grantor's type of organization, jurisdiction of organization, legal name, Federal Taxpayer Identification Number, and chief executive office or principal place of business are indicated next to its name in Schedule 5 hereof. Schedule 5 also lists all of such Grantor's jurisdictions and types of organization, legal names and locations of chief executive office or principal place of business at any time during the four months preceding the date hereof, if different from those referred to in the preceding sentence.

(b) Such Grantor shall not, except upon not less than 30 days' prior written notice, or such lesser notice period agreed to by the Collateral Agent, to the Collateral Agent, and delivery to the Collateral Agent of all additional financing statements, information and other documents reasonably requested by the Collateral Agent or the Administrative Agent to maintain the validity, perfection and priority of the security interests provided for herein:

(i) change its legal name, identity, type of organization or corporate structure;

(ii) change the location of its chief executive office or its principal place of business;

(iii) change its Federal Taxpayer Identification Number; or

(iv) change its jurisdiction of organization (in each case, including by merging with or into any other entity, reorganizing, organizing, dissolving, liquidating, reincorporating or incorporating in any other jurisdiction).

Such Grantor shall, prior to any change described in Section 4.07(b), take all actions requested by the Collateral Agent to maintain the perfection and priority of the security interest of the Collateral Agent for the ratable benefit of the Secured Parties in the Collateral intended to be granted hereunder. Each Grantor agrees to promptly provide the Collateral Agent with certified Organizational Documents reflecting any of the changes described in this Section 4.07.

Section 4.08 **Location of Inventory and Equipment**.

(a) On the date hereof, the Inventory and the Equipment (other than mobile goods and goods in transit) of such Grantor are kept at locations listed in Schedule 5 hereof. Schedule 5also lists the locations of such Grantor's Inventory and the Equipment (other than mobile goods and goods in transit) for the four months preceding the date hereof, if different from those referred in the preceding sentence.

(b) Such Grantor shall not move any Equipment or Inventory with a value in excess of $100,000 to any location, other any location that is listed in Schedule 5 hereof except upon not less than 30 days' prior written notice, or such lesser notice period agreed to by the Collateral Agent, to the Collateral Agent, of its intention so to do, clearly describing such new location and providing such other information and documents to the Collateral Agent reasonably requested by the Collateral Agent to maintain the validity, perfection and priority of the security interests provided for herein.

(c) Such Grantor shall, prior to any change described in Section 4.08(a), take all actions requested by the Collateral Agent to maintain the perfection and priority of the security interest of the Collateral Agent for the ratable benefit of the Secured Parties in the Collateral, if applicable; provided that, in no event shall any Equipment or Inventory of any Grantor be moved to any location outside of the continental United States.

Section 4.09 **Pledged Securities and Pledged Debt**.

(a) Schedule 2 sets forth a complete and accurate list of all Pledged Securities and Pledged Debt held by such Grantor as of the date hereof. The Pledged Securities pledged by such Grantor hereunder constitute all of the issued and outstanding Equity Interests of each issuer owned by such Grantor. Such Equity Interests represent all of the outstanding Equity Interests of each such issuer which is a Subsidiary except as noted in such Schedule. All of the Pledged Securities existing on the date hereof have been, and to the extent any Pledged Securities are hereafter issued, such Pledged Securities will be, upon such issuance, duly authorized, validly issued, fully paid and non-assessable. There is no amount or other obligation owing by any Grantor to any issuer of the Pledged Securities in exchange for or in connection with the issuance of the Pledged Securities or any Grantor's status as a partner or a member of any issuer of the Pledged Securities. No Grantor is in default or violation of any material provisions of any agreement to which such Grantor is a party relating to the Pledged Securities.

(b) All of the Pledged Debt described on Schedule 2 has been duly authorized, authenticated or issued, and delivered and is the legal, valid and binding obligation of the issuers thereof, enforceable in accordance with their respective terms (subject to the effects of bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other similar laws relating to or affecting creditors' rights generally, general equitable principles (whether considered in a proceeding in equity or at law)) and is not in default. The Pledged Debt constitutes all of the issued and outstanding intercompany indebtedness owing to such Grantor and if evidenced by promissory notes, such notes have been delivered to the Collateral Agent.

(c) No Securities Collateral pledged by such Grantor is subject to any defense, offset or counterclaim, nor have any of the foregoing been asserted or alleged against such Grantor by any Person with respect thereto, and there are no certificates, instruments, documents or other writings (other than the Organizational Documents and certificates representing such Pledged Securities or Pledged Debt, if any, that have been delivered to the Collateral Agent) which evidence any Pledged Securities or Pledged Debt of such Grantor.

(d) Each Grantor shall, upon obtaining any Pledged Securities or Pledged Debt of any Person, accept the same in trust for the benefit of the Collateral Agent and promptly (but in any event within ten Business Days after receipt thereof) deliver to the Collateral Agent an updated Schedule 2, and the certificates and other documents required under Section 3.01 and Section 3.02 in respect of the additional Pledged Securities or Pledged Debt which are to be pledged pursuant to this Agreement, and confirming the Lien hereby created on such additional Pledged Securities or Pledged Debt.

Section 4.10 **Approvals**. In the event that the Collateral Agent desires to exercise any remedies, voting or consensual rights or attorney-in-fact powers set forth in this Agreement and determines it necessary to obtain any approvals or consents of any Governmental Authority or any other Person therefor, then, upon the request of the Collateral Agent, such Grantor agrees to assist the Collateral Agent in obtaining as soon as practicable any necessary approvals or consents for the exercise of any such remedies, rights and powers.

Section 4.11 **Collateral Information**. All information set forth herein, including the schedules annexed hereto, and all information contained in any documents, schedules and lists heretofore delivered to the Collateral Agent or any Secured Party, in connection with this Agreement, in each case, relating to the Collateral, is accurate and complete. The Collateral described on the schedules hereof constitutes all of the property of such type of Collateral owned or held by the Grantors.

Section 4.12 **Insurance**. In the event that the proceeds of any insurance claim are paid to any Grantor after the Collateral Agent has exercised its right to foreclose on all or any part of the Collateral during the existence of an Event of Default, such Net Cash Proceeds shall be held in trust for the benefit of the Collateral Agent and immediately after receipt thereof shall be paid to the Collateral Agent for application in accordance with the Loan Agreement.

Section 4.13 **Compliance With Laws**. Each Grantor shall pay promptly when due all Claims upon the Collateral or incurred in connection with the use or operation of the Collateral or incurred in connection with this Agreement. All Claims imposed upon or assessed against the Collateral have been paid and discharged except to the extent such Claims constitute a Lien not yet due and payable which is a Contested Lien or a Lien permitted by the Loan Agreement. In the event any Grantor shall fail to make such payment contemplated in the immediately preceding sentence, the Collateral Agent may (following notice to the Grantor, to the extent practicable) do so for the account of such Grantor and the Grantors shall promptly reimburse and indemnify the Collateral Agent for all costs and expenses incurred by the Collateral Agent under this Section 4.13 in accordance with Section 9.08. Each Grantor shall comply with all Legal Requirements applicable to the Collateral the failure to comply with which would reasonably be expected to, individually or in the aggregate, have a Material Adverse Effect.

Section 4.14 **Intellectual Property**.

(a) Schedule 6 lists all patents and pending applications, registered trademarks and pending applications, registered domain names, registered copyrights and pending applications and material Intellectual Property Licenses owned by such Grantor;

(b) all Intellectual Property Collateral is valid, subsisting, unexpired and enforceable and has not been abandoned;

(c) except as described on Schedule 6 such Grantor is the exclusive owner of all right, title and interest in and to, or has the right to use, all such Intellectual Property Collateral;

(d) consummation and performance of this Agreement will not result in the invalidity, unenforceability or impairment of any such Intellectual Property Collateral, or in default or termination of any material Intellectual Property License;

(e) except as described on Schedule 6, there are no outstanding holdings, decisions, consents, settlements, decrees, orders, injunctions, rulings or judgments that would limit, cancel or question the validity or enforceability of any such Intellectual Property Collateral or such Grantor’s rights therein or use thereof;

(f) to such Grantor’s knowledge, except as described on Schedule 6, the operation of such Grantor’s business and such Grantor’s use of Intellectual Property Collateral in connection therewith, does not materially infringe or misappropriate the intellectual property rights of any other Person;

(g) except as described in Schedule 6, no action or proceeding is pending or, to such Grantor's actual knowledge after due inquiry, threatened (i) seeking to limit, cancel or question the validity of any Intellectual Property Collateral or such Grantor's ownership interest or rights therein, (ii) which, if adversely determined, could have a Material Adverse Effect on the value of any such Intellectual Property Collateral or (iii) alleging that any such Intellectual Property Collateral, or such Grantor's use thereof in the operation of its business, infringes or misappropriates the intellectual property rights of any Person; and

(h) to such Grantor's actual knowledge after due inquiry, there has been no Material Adverse Effect on such Grantor's rights in its material Trade Secrets as a result of any unauthorized use, disclosure or appropriation by or to any Person, including such Grantor's current and former employees, contractors and agents.

Section 4.15 **Inspection of Collateral**. Each Grantor shall keep the Collateral in good order and repair, ordinary wear and tear excepted, and will not use the same in violation of applicable Legal Requirements or any policy of insurance thereon. Each Grantor shall permit the Collateral Agent, or its designee, to inspect the Collateral at any reasonable time, wherever located, but not more frequently than once per calendar quarter.

ARTICLE V
SECURITIES COLLATERAL

Section 5.01 **Existing Voting Rights and Distributions**.

(a) So long as no Event of Default shall have occurred and be continuing:

(i) Each Grantor shall be entitled to exercise any and all voting and other consensual rights pertaining to the Securities Collateral or any part thereof for any purpose not inconsistent with the terms or purposes hereof, the Loan Agreement or any other Loan Document; provided, however, that no Grantor shall in any event exercise such rights in any manner which would reasonably be expected to have a Material Adverse Effect.

(ii) Each Grantor shall be entitled to receive and retain, and to utilize free and clear of the Lien hereof, any and all Distributions, if and to the extent made in accordance with the provisions of the Loan Agreement; provided, however, that any and all such Distributions consisting of rights or interests in the form of securities shall be immediately delivered to the Collateral Agent to hold as Collateral and shall, if received by any Grantor, be received in trust for the benefit of the Collateral Agent, be segregated from the other property or funds of such Grantor and be promptly (but in any event within ten Business Days after receipt thereof) delivered to the Collateral Agent as Collateral in the same form as so received (with any necessary endorsement).

(b) The Collateral Agent shall be deemed without further action to have granted to each Grantor all necessary consents relating to voting rights and shall, if necessary, upon written request of any Grantor and at the sole cost and expense of such Grantor, from time to time execute and deliver (or cause to be executed and delivered) to such Grantor all such instruments as such Grantor may reasonably request in order to permit such Grantor to exercise the voting and other rights which it is entitled to exercise pursuant to Section 5.01(a)(i) and to receive the Distributions which it is authorized to receive and retain pursuant to Section 5.01(a)(ii).

(c) Upon the occurrence and during the continuance of any Event of Default:

(i) All rights of each Grantor to exercise the voting and other consensual rights it would otherwise be entitled to exercise pursuant to Section 5.01(a)(i) shall immediately cease, and all such rights shall thereupon become vested in the Collateral Agent, which shall have the sole right to exercise such voting and other consensual rights.

(ii) All rights of each Grantor to receive Distributions which it would otherwise be authorized to receive and retain pursuant to Section 5.01(a)(ii) shall immediately cease and all such rights shall thereupon become vested in the Collateral Agent, which shall have the sole right to receive and hold such Distributions as Collateral.

(d) Each Grantor shall, at its sole cost and expense, from time to time execute and deliver to the Collateral Agent appropriate instruments as the Collateral Agent may request in order to permit the Collateral Agent to exercise the voting and other rights which it may be entitled to exercise pursuant to Section 5.01(c)(i) and to receive all Distributions which it may be entitled to receive under Section 5.01(c)(ii).

(e) All Distributions which are received by any Grantor contrary to the provisions of Section 5.01(a)(ii) or Section 5.01(c) shall be received in trust for the benefit of the Collateral Agent, shall be segregated from other funds of such Grantor and shall promptly (but in any event within ten Business Days after receipt thereof by such Grantor) be paid over to the Collateral Agent as Collateral in the same form as so received (with any necessary endorsement).

Section 5.02 **Certain Agreements of Grantors**.

(a) In the case of each Grantor which is an issuer of Securities Collateral, such Grantor agrees to be bound by the terms of this Agreement relating to the Securities Collateral issued by it and will comply with such terms insofar as such terms are applicable to it.

(b) In the case of each Grantor which is a partner, shareholder or member, as the case may be, in a partnership, limited liability company or other entity, such Grantor hereby (i) consents to the extent required by the applicable Organizational Document to the pledge by each other Grantor, pursuant to the terms hereof, of the Pledged Securities in such partnership, limited liability company or other entity and, upon the occurrence and during the continuance of an Event of Default, to the transfer of such Pledged Securities to the Collateral Agent or its nominee and to the substitution of the Collateral Agent or its nominee as a substituted partner, shareholder or member in such partnership, limited liability company or other entity with all the rights, powers and duties of a general partner, limited partner, shareholder or member, as the case may be, and (ii) irrevocably waives any and all provisions of the applicable Organizational Documents that conflict with the terms of this Agreement or prohibit, restrict, condition or otherwise affect the grant hereunder of any Lien on any of the Collateral or any enforcement action which may be taken in respect of any such Lien.

ARTICLE VI
INTELLECTUAL PROPERTY COLLATERAL

Section 6.01 **Intellectual Property License**. For the purpose of enabling the Collateral Agent, during the continuance of an Event of Default, to exercise rights and remedies under Article VIII hereof at such time as the Collateral Agent shall be lawfully entitled to exercise such rights and remedies, and for no other purpose, each Grantor hereby grants to the Collateral Agent, to the extent of such Grantor's rights and effective only during the continuance of an Event of Default, an irrevocable, non-exclusive license, subject, in the case of Trademarks, to sufficient rights to quality control and inspection in favor of such Grantor to avoid the risk of invalidation of such Trademarks, to use and sublicense any of the Intellectual Property Collateral then owned by or licensed to such Grantor. Such license shall include access to all devices, products and media in which any of the Intellectual Property Collateral is embodied, embedded, recorded or stored and to all computer programs used for the compilation or printout hereof.

Section 6.02 **Dealing With Intellectual Property**. On a continuing basis, each Grantor shall, at its sole cost and expense:

(a) promptly following its becoming aware thereof, notify the Collateral Agent of any adverse determination in any proceeding or the institution of any proceeding in any federal, state or local court or administrative body or in the United States Patent and Trademark Office or the United States Copyright Office regarding such Grantor's claim of ownership in or right to use any of the material Intellectual Property Collateral, such Grantor's right to register such Intellectual Property Collateral or its right to keep and maintain such registration in full force and effect;

(b) maintain and protect the material Intellectual Property Collateral as presently used and operated and as contemplated by the Loan Agreement;

(c) not permit to lapse or become abandoned any material Intellectual Property Collateral as presently used and operated and as contemplated by the Loan Agreement, and not settle or compromise any pending or future litigation or administrative proceeding with respect to such Intellectual Property Collateral, in each case except as shall be consistent with commercially reasonable business judgment;

(d) upon such Grantor obtaining actual knowledge after due inquiry thereof, promptly notify the Collateral Agent in writing of any event which may be reasonably expected to materially and adversely affect the value or utility of any of the material Intellectual Property Collateral or the rights and remedies of the Collateral Agent in relation thereto including a levy or threat of levy or any legal process against the Intellectual Property Collateral or any portion thereof;

(e) not license the Intellectual Property Collateral other than licenses entered into by such Grantor in, or incidental to, the ordinary course of business, or amend or permit the amendment of any of the licenses in a manner that materially and adversely affects the right to receive payments thereunder, or in any manner that could materially impair the value of the Intellectual Property Collateral or the Lien on and security interest in the Intellectual Property Collateral created hereby, without the consent of the Collateral Agent;

(f) diligently keep adequate records respecting its Intellectual Property Collateral; and

(g) furnish to the Collateral Agent from time to time upon the Collateral Agent's reasonable request therefor reasonably detailed statements and amended schedules further identifying and describing the Intellectual Property Collateral and such other materials evidencing or reports pertaining to the Intellectual Property Collateral as the Collateral Agent may from time to time reasonably request, but no more frequently than once per calendar quarter.

Section 6.03 **Additional Intellectual Property**.

(a) If any Grantor shall at any time after the date hereof (i) obtain any rights to any additional Intellectual Property Collateral or (i) become entitled to the benefit of any additional Intellectual Property Collateral or any registration, renewal or extension thereof, including any reissue, division, continuation, or continuation-in-part of any Intellectual Property Collateral, or any improvement on any Intellectual Property Collateral, the provisions hereof shall automatically apply thereto and any such item enumerated in Section 6.03(a)(i) or Section 6.03(a)(ii) with respect to such Grantor shall automatically constitute Intellectual Property Collateral as if such would have constituted Intellectual Property Collateral at the time of execution hereof and be subject to the Lien and security interest created by this Agreement without further action by any party.

(b) Each Grantor shall promptly within 45 days of the end of each fiscal quarter (i) provide to the Collateral Agent written notice of any of the foregoing and (ii) upon the Collateral Agent's request, confirm the attachment of the Lien and security interest created by this Agreement to any rights described Section 6.03(a)(i) or Section 6.03(a)(ii) by execution of an instrument in form reasonably acceptable to the Collateral Agent and the filing of any instruments or statements as shall be reasonably necessary to create, preserve, protect or perfect the Collateral Agent's security interest in such Intellectual Property Collateral, including by execution and filing of a supplemental Intellectual Property Security Agreement in accordance with Section 3.06. Further, each Grantor authorizes the Collateral Agent to modify this Agreement by amending Schedule 6 hereof to include any such Intellectual Property Collateral of such Grantor.

Section 6.04 **Intellectual Property Litigation**. Unless there shall occur and be continuing any Event of Default, each Grantor shall have the right to commence and prosecute in its own name, as the party in interest, for its own benefit and at the sole cost and expense of the Grantors, such applications for protection of the Intellectual Property Collateral and suits, proceedings or other actions to prevent the infringement, misappropriation, counterfeiting, unfair competition, dilution, diminution in value or other damage as are necessary to protect the Intellectual Property Collateral. Upon the occurrence and during the continuance of any Event of Default, the Collateral Agent shall have the right but shall in no way be obligated to file applications for protection of the Intellectual Property Collateral and/or bring suit in the name of any Grantor, the Collateral Agent or the Secured Parties to enforce the Intellectual Property Collateral and any license thereunder. In the event of such suit, each Grantor shall, at the reasonable request of the Collateral Agent, do any and all commercially reasonable acts and execute any and all documents reasonably requested by the Collateral Agent in aid of such enforcement and the Grantors shall promptly reimburse and indemnify the Collateral Agent for all reasonable costs and expenses incurred by the Collateral Agent in the exercise of its rights under this Section 6.04 in accordance with Section 9.08. In the event that the Collateral Agent shall elect not to bring suit to enforce the Intellectual Property Collateral as permitted by this Section 6.04 and an Event of Default has occurred and is continuing, each Grantor agrees, at the reasonable request of the Collateral Agent, to take all commercially reasonable actions necessary, whether by suit, proceeding or other action, to prevent the infringement, misappropriation, counterfeiting, unfair competition, dilution, diminution in value of or other damage to any of the Intellectual Property Collateral by others and for that purpose agrees to diligently maintain any suit, proceeding or other action against any Person so infringing necessary to prevent such infringement.

Section 6.05 Foreign Intellectual Property. No Grantor shall be responsible for any costs or expenses, legal or otherwise, incurred by the Collateral Agent in connection with the perfection of the security interest created hereby in foreign Intellectual Property Collateral and Intellectual Property Licenses, for registrations and filings in jurisdictions located outside of the United States or covering rights in such jurisdictions relating to such foreign Intellectual Property Collateral and Intellectual Property Licenses.

ARTICLE VII
RECEIVABLES

Section 7.01 **Dealing With Receivables**. Each Grantor shall keep and maintain at its own cost and expense complete records of each Receivable, including records of all payments received, all credits granted thereon, all merchandise returned and all other documentation relating thereto. Each Grantor shall, at such Grantor's sole cost and expense, upon the Collateral Agent's demand made at any time after the occurrence and during the continuance of any Event of Default, deliver copies of all tangible evidence of Receivables, including copies of all documents evidencing Receivables and any books and records relating thereto to the Collateral Agent or to its representatives. Each Grantor shall legend, at the request of the Collateral Agent and in form and manner satisfactory to the Collateral Agent, the Receivables and the other books, records and documents of such Grantor evidencing or pertaining to the Receivables with an appropriate reference to the fact that the Receivables have been assigned to the Collateral Agent for the ratable benefit of the Secured Parties and that the Collateral Agent has a security interest therein.

Section 7.02 **Modification of Receivables**. Other than in the ordinary course of business consistent with its past practice or as permitted under the Loan Agreement, such Grantor will not (a) grant any extension of the time of payment of any Receivable, (b) compromise or settle any Receivable for less than the full amount thereof, (c) release, wholly or partially, any Person liable for the payment of any Receivable, (d) allow any credit or discount whatsoever on any Receivable or (e) amend, supplement or modify any Receivable in any manner that could adversely affect the value thereof.

ARTICLE VIII
REMEDIES

Section 8.01 **Remedies**.

(a) If any Event of Default shall have occurred and be continuing, the Collateral Agent may exercise, without any other notice to or demand upon any Grantor, in addition to the other rights and remedies provided for herein or in any other Loan Document or otherwise available to it, all the rights and remedies of a secured party upon default under the UCC (whether or not the UCC applies to the affected Collateral) and also may:

(i) require each Grantor to, and each Grantor hereby agrees that it will at its expense and upon request of the Collateral Agent immediately, assemble the Collateral or any part thereof, as directed by the Collateral Agent and make it available to the Collateral Agent at a place and time to be designated by the Collateral Agent;

(ii) without notice except as specified below, sell, resell, assign and deliver or grant a license to use or otherwise dispose of the Collateral or any part thereof, in one or more parcels at public or private sale, at any of the Collateral Agent's offices or elsewhere, for cash, on credit or for future delivery, and upon such other terms as the Collateral Agent may deem commercially reasonable;

(iii) subject to the terms of any applicable Collateral Access Agreement, occupy any premises owned or leased by any of the Grantors where the Collateral or any part thereof is assembled or located for a reasonable period in order to effectuate its rights and remedies hereunder or under law, without obligation to such Grantor in respect of such occupation; and

(iv) exercise any and all rights and remedies of any of the Grantors under or in connection with the Collateral, or otherwise in respect of the Collateral, including without limitation, (A) any and all rights of such Grantor to demand or otherwise require payment of any amount under, or performance of any provision of, the Contracts, the Receivables, and the other Collateral, (B) withdraw, or cause or direct the withdrawal of, all funds with respect to the Deposit Accounts, (C) exercise all other rights and remedies with respect to the Receivables, and the other Collateral, including without limitation, those set forth in Section 9-607 of the UCC and (D) exercise any and all voting, consensual and other rights with respect to any Collateral.

(b) Each Grantor agrees that, to the extent notice of sale shall be required by law, at least ten days' notice to such Grantor of the time and place of any public sale or the time after which any private sale is to be made shall constitute reasonable notification. At any sale of the Collateral, if permitted by applicable law, the Collateral Agent may be the purchaser, licensee, assignee or recipient of the Collateral or any part thereof and 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, assigned or licensed at such sale, to use and apply any of the Secured Obligations as a credit on account of the purchase price of the Collateral or any part thereof payable at such sale. To the extent permitted by applicable law, each Grantor waives all claims, damages and demands it may acquire against the Collateral Agent arising out of the exercise by it of any rights hereunder. Each Grantor hereby waives and releases to the fullest extent permitted by law any right or equity of redemption with respect to the Collateral, whether before or after sale hereunder, and all rights, if any, of marshalling the Collateral and any other security for the Secured Obligations or otherwise. The Collateral Agent shall not be liable for failure to collect or realize upon any or all of the Collateral or for any delay in so doing nor shall it be under any obligation to take any action with regard thereto. The Collateral Agent shall not be obligated to make any sale of Collateral regardless of notice of sale having been given. The Collateral Agent may adjourn any public or private sale from time to time by announcement at the time and place fixed therefor, and such sale may, without further notice, be made at the time and place to which it was so adjourned. Each Grantor agrees that it would not be commercially unreasonable for the Collateral Agent to dispose of the Collateral or any portion thereof by utilizing internet sites that routinely provide for the auction of assets of the type included in the Collateral. The Collateral Agent shall not be obligated to clean-up or otherwise prepare the Collateral for sale.

(c) If any Event of Default shall have occurred and be continuing, all payments received by any Grantor in respect of the Collateral shall be received in trust for the benefit of the Collateral Agent, shall be segregated from other funds of such Grantor and shall be forthwith paid over the Collateral Agent in the same form as so received (with any necessary endorsement).

(d) If any Event of Default shall have occurred and be continuing, the Collateral Agent may, without notice to any Grantor except as required by law and at any time or from time to time, charge, set off and otherwise apply all or part of the Secured Obligations against any funds deposited with it or held by it.

(e) If any Event of Default shall have occurred and be continuing, upon the written demand of the Collateral Agent, each Grantor shall execute and deliver to the Collateral Agent an assignment or assignments of any or all of the Intellectual Property Collateral and such other documents and take such other actions as are necessary or appropriate to carry out the intent and purposes hereof. Within five Business Days of written notice thereafter from the Collateral Agent, each Grantor shall make available to the Collateral Agent, to the extent within such Grantor's power and authority, such personnel in such Grantor's employ on the date of the Event of Default as the Collateral Agent may reasonably designate to permit such Grantor to continue, directly or indirectly, to produce, advertise and sell the products and services sold by such Grantor under the Intellectual Property Collateral, and such persons shall be available to perform their prior functions on the Collateral Agent's behalf.

(f) If the Collateral Agent shall determine to exercise its right to sell all or any of the Securities Collateral of any Grantor pursuant to this Section 8.01, each Grantor agrees that, upon request of the Collateral Agent, such Grantor will, at its own expense:

(i) provide the Collateral Agent with such information and projections as may be necessary or, in the opinion of the Collateral Agent, advisable to enable the Collateral Agent to effect the sale of such Securities Collateral; and

(ii) do or cause to be done all such other acts and things as may be necessary to make such sale of such Securities Collateral or any part thereof valid and binding and in compliance with applicable law.

(g) Subject to the confidentiality provisions set forth in the Loan Agreement, the Collateral Agent is authorized, in connection with any sale of the Securities Collateral pursuant to this Section 8.01, to deliver any information provided to it by any Grantor at any time.

(h) Each Grantor acknowledges the impossibility of ascertaining the amount of damages that would be suffered by the Collateral Agent and the Secured Parties by reason of the failure of such Grantor to perform any of the covenants contained in Section 8.01(f); and consequently, agrees that, if such Grantor shall fail to perform any of such covenants, it will pay, as liquidated damages and not as a penalty, an amount equal to the value of the Securities Collateral on the date the Collateral Agent demands compliance with Section 8.01(f).

Section 8.02 **No Waiver and Cumulative Remedies**. The Collateral Agent shall not by any act (except by a written instrument pursuant to Section 9.06), delay, indulgence, omission or otherwise be deemed to have waived any right or remedy hereunder or to have acquiesced in any Default or Event of Default. No failure on the part of the Collateral Agent to exercise, no course of dealing with respect to, and no delay on the part of the Collateral Agent in exercising, any right, power or remedy hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any such right, power, privilege or remedy hereunder preclude any other or further exercise thereof or the exercise of any other right, power, privilege or remedy; nor shall the Collateral Agent be required to look first to, enforce or exhaust any other security, collateral or guaranties. All rights and remedies herein provided are cumulative and are not exclusive of any rights or remedies provided by law.

Section 8.03 **Application of Proceeds**. Upon the exercise by the Collateral Agent of its remedies hereunder, any proceeds received by the Collateral Agent in respect of any realization upon any Collateral shall be applied, together with any other sums then held by the Collateral Agent pursuant to this Agreement, in accordance with the Loan Agreement. Each Grantor shall remain liable for any deficiency if the proceeds of any sale or other disposition of the Collateral are insufficient to pay the Secured Obligations and the fees and other charges of any attorneys employed by the Collateral Agent to collect such deficiency.

ARTICLE IX
MISCELLANEOUS

Section 9.01 **Concerning Collateral Agent**.

(a) **Appointment**. The Collateral Agent has been appointed as collateral agent in the Loan Agreement and shall act in accordance with the terms of the Loan Agreement. The Collateral Agent may exercise or refrain from exercising any rights (including making demands and giving notices) and take or refrain from taking any action (including the release or substitution of the Collateral), in accordance with this Agreement and the Loan Agreement. The Collateral Agent may employ agents and attorneys-in-fact in connection herewith and shall not be liable for the negligence or misconduct of any such agents or attorneys-in-fact selected by it in good faith. The Collateral Agent may resign, and a successor Collateral Agent may be appointed in the manner provided in the Loan Agreement. On the acceptance of appointment as the successor Collateral Agent, that 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 retiring Collateral Agent shall thereupon be discharged from its duties and obligations under this Agreement. After any retiring Collateral Agent's resignation, the provisions hereof shall inure to its benefit as to any actions taken or omitted to be taken by it under this Agreement while it was the Collateral Agent.

(b) **Duty of care**. The Collateral Agent's sole duty with respect to the custody, safekeeping and physical preservation of the Collateral in its possession, under Section 9-207 of the UCC or otherwise, shall be to deal with it in the same manner as the Collateral Agent deals with its own property consisting of similar instruments or interests. Neither the Collateral Agent nor any of the Secured Parties shall have responsibility for (i) ascertaining or taking action whatsoever with regard to any Collateral (including matters relating to the Pledged Securities, whether or not the Collateral Agent or any other Secured Party has or is deemed to have knowledge of such matters) or (ii) taking any necessary steps to preserve rights against any Person with respect to any Collateral.

(c) **Reliance**. The Collateral Agent shall be entitled to rely upon any written notice, statement, certificate, order or other document or any telephone message believed by it 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 and its duties hereunder.

(d) **Conflict**. If any item of Collateral also constitutes collateral granted to the Collateral Agent under any other deed of trust, mortgage, security agreement, pledge or instrument of any type, in the event of any conflict between the provisions hereof and the provisions of such other document in respect of such collateral, the provisions of this Agreement shall control unless the other deed of trust, mortgage, security agreement, pledge or instrument expressly states otherwise.

Section 9.02 **Performance By Collateral Agent**. Provided that such action does not violate any applicable Legal Requirements, if any Grantor shall fail to perform any covenants contained in this Agreement (including covenants to pay insurance, taxes and claims arising by operation of law in respect of the Collateral and to pay or perform any Grantor obligations under any Collateral) or if any representation or warranty on the part of any Grantor contained herein shall be breached, the Collateral Agent may (but shall not be obligated to) following notice to such Grantor of such failure to perform and such Grantor's failure to remedy such failure within a commercially reasonable time period, do the same or cause it to be done or remedy any such breach, and may make payments for such purpose; provided, however, that the Collateral Agent shall in no event be bound to inquire into the validity of any tax, Lien, imposition or other obligation which such Grantor fails to pay or perform as and when required hereby and which such Grantor does not contest in accordance with the provisions of the Loan Agreement. Any and all amounts so paid by the Collateral Agent shall be reimbursed by the Grantors in accordance with the provisions of Section 9.08. Neither the provisions of this Section 9.02 nor any action taken by the Collateral Agent pursuant to the provisions of this Section 9.02 shall prevent any such failure to observe any covenant contained in this Agreement nor any breach of representation or warranty from constituting an Event of Default.

Section 9.03 **Power of Attorney**. Each Grantor hereby appoints the Collateral Agent its attorney-in-fact, with full power and authority in the place and stead of such Grantor and in the name of such Grantor, or otherwise, from time to time during the existence and continuance of any Event of Default, to take any action and to execute any instrument consistent with the terms of the Loan Agreement and the other Loan Documents which the Collateral Agent may deem necessary or advisable to accomplish the purposes hereof (but the Collateral Agent shall not be obligated to and neither the Collateral Agent nor any Secured Party shall have any liability to such Grantor or any third party for failure to so do or take action). Except where prior notice is expressly required by the terms of this Agreement, the Collateral Agent shall use commercially reasonable efforts to provide notice to the Grantor prior to taking any action taken in the preceding sentence, provided that failure to deliver such notice shall not limit the Collateral Agent's right to take such action or the validity of any such action. The foregoing grant of authority is a power of attorney coupled with an interest and such appointment shall be irrevocable for the term hereof. Each Grantor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof.

Section 9.04 **Continuing Security Interest and Assignment**. This Agreement shall create a continuing security interest in the Collateral and shall (a) be binding upon the Grantors, their respective successors and assigns and (b) inure, together with the rights and remedies of the Collateral Agent hereunder, to the benefit of the Collateral Agent and the other Secured Parties and each of their respective permitted successors, transferees and assigns and their respective officers, directors, employees, affiliates, agents, advisors and controlling Persons; provided that, no Grantor shall assign or otherwise transfer any of its rights or obligations under this Agreement without the prior written consent of the Collateral Agent and any attempted assignment or transfer without such consent shall be null and void. Without limiting the generality of the foregoing subsection (b), any Secured Party may assign or otherwise transfer any indebtedness held by it secured by this Agreement to any other Person, and such other Person shall thereupon become vested with all the benefits in respect thereof granted to such Secured Party, herein or otherwise, subject however, to the provisions of the Loan Agreement.

Section 9.05 **Termination and Release**.

(a) At such time as the Loans and the other Secured Obligations shall have been paid in full (other than contingent indemnification obligations in which no claim has been made or is reasonably foreseeable), the Collateral shall be released from the Liens created hereby, and this Agreement and all obligations (other than those expressly stated to survive such termination) of the Collateral Agent and each Grantor hereunder shall terminate, all without delivery of any instrument or any further action by any party, and all rights to the Collateral shall revert to the Grantors. At the request and sole expense of any Grantor following any such termination, the Collateral Agent shall deliver to such Grantor any Collateral held by the Collateral Agent hereunder and execute and deliver to such Grantor such documents as such Grantor shall reasonably request to evidence such termination.

(b) If any of the Collateral shall be sold, transferred or otherwise disposed of by any Grantor in a transaction permitted by the Loan Agreement, then the Lien created pursuant to this Agreement in such Collateral shall be released, and the Collateral Agent, at the request and sole expense of such Grantor, shall execute and deliver to such Grantor all releases and other documents reasonably necessary or advisable for the release of the Liens created hereby on such Collateral; provided that the Grantors shall provide to the Collateral Agent evidence of such transaction's compliance with the Loan Agreement and the other Loan Documents as the Collateral Agent shall reasonably request. At the request and sole expense of the Grantors, a Grantor shall be released from its obligations hereunder in the event that all the Equity Interests of such Grantor are sold, transferred or otherwise disposed of in a transaction permitted by the Loan Agreement; provided that the Grantors shall have delivered to the Collateral Agent, at least five Business Days (or such shorter period reasonably acceptable to the Collateral Agent) prior to the date of the proposed release, a written request for release identifying the relevant Grantor and the terms of the sale or other disposition in reasonable detail, including the price thereof and any expenses in connection therewith, together with a certification by the Grantors stating that such transaction is in compliance with the Loan Agreement and the other Loan Documents.

Section 9.06 **Modification in Writing**. None of the terms or provisions of this Agreement may be amended, modified, supplemented, terminated or waived, and no consent to any departure by any Grantor therefrom shall be effective, except by a written instrument signed by the Collateral Agent in accordance with the terms of the Loan Agreement. Any amendment, modification or supplement of any provision hereof, any waiver of any provision hereof and any consent to any departure by any Grantor from the terms of any provision hereof in each case shall be effective only in the specific instance and for the specific purpose for which made or given. This Agreement shall be construed as a separate agreement with respect to each Grantor and may be amended, modified, supplemented, terminated or waived with respect to any Grantor without the approval of any other Grantor and without affecting the obligations of any other Grantor hereunder.

Section 9.07 **Notices**. Unless otherwise provided herein, any notice or other communication required or permitted to be given under this Agreement shall be in writing and shall be given in the manner and become effective as set forth in the Loan Agreement, and, as to any Grantor, addressed to it at the address of such Grantor set forth in Schedule 1 hereof and as to the Collateral Agent, addressed to it at the address set forth in the Loan Agreement, or in each case at such other address as shall be designated by such party in a written notice to the other party.

Section 9.08 **Indemnity and Expenses**.

(a) Each Grantor shall indemnify the Collateral Agent (and any sub-agent thereof), each other Secured Party, and each Related Party of any of the foregoing Persons (each such Person being called an "***Indemnitee***") in accordance with Section 9.03 of the Loan Agreement, including that an Indemnitee will not be entitled to collect Excluded Damages from a Grantor.

(b) To the fullest extent permitted by applicable law, each Grantor hereby agrees not to assert, and hereby waives, any Indemnitee on any theory of liability for Excluded Damages arising out of, in connection with, or as a result of, this Agreement, any other Loan Document or any agreement or instrument contemplated hereby, the transactions contemplated hereby or thereby, any extension of credit or the use of proceeds thereof.

(c) Each Grantor agrees to pay or reimburse the Collateral Agent for all its costs and expenses incurred in collecting against such Grantor its Secured Obligations or otherwise protecting, enforcing or preserving any rights or remedies under this Agreement and the other Loan Documents to which such Grantor is a party, including the fees and other charges of counsel to the Collateral Agent.

(d) All amounts due under this Section 9.08 shall be payable not later than 15 days after demand therefor, shall constitute Secured Obligations and, if such amounts remain unpaid for 15 days, then such unpaid amounts shall bear interest until paid at a rate per annum equal to the highest rate per annum at which interest would then be payable on any past due Loan under the Loan Agreement.

(e) Without prejudice to the survival of any other agreement of any Grantor under this Agreement or any other Loan Documents, the agreements and obligations of each Grantor contained in this Section 9.08 shall survive termination of the Loan Documents and payment in full of the Obligations and all other amounts payable under this Agreement.

Section 9.09 **Governing Law, Consent to Jurisdiction and Waiver of Jury Trial**. This Agreement and any claim, controversy, dispute or cause of action (whether in contract or tort or otherwise) based upon, arising out of or relating to this Agreement and the transactions contemplated hereby and thereby shall be governed by, and construed in accordance with, the laws of the State of Delaware. The other provisions of Sections 9.09 (Governing Law; Jurisdiction; Consent to Service of Process) and Section 9.10 (Waiver of Jury Trial) of the Loan Agreement are incorporated herein, mutatis mutandis, as if a part hereof.

Section 9.10 **Severability of Provisions**. Any provision hereof which is invalid, illegal or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity, illegality or unenforceability without invalidating the remaining provisions hereof or affecting the validity, legality or enforceability of such provision in any other jurisdiction.

Section 9.11 **No Release**. Nothing set forth in this Agreement or any other Loan Document, nor the exercise by the Collateral Agent of any of the rights or remedies hereunder, shall relieve any Grantor from the performance of any term, covenant, condition or agreement on such Grantor's part to be performed or observed in respect of any of the Collateral or from any liability to any Person in respect of any of the Collateral or shall impose any obligation on the Collateral Agent or any other Secured Party to perform or observe any such term, covenant, condition or agreement on such Grantor's part to be so performed or observed or shall impose any liability on the Collateral Agent or any other Secured Party for any act or omission on the part of such Grantor relating thereto or for any breach of any representation or warranty on the part of such Grantor contained in this Agreement, the Loan Agreement or the other Loan Documents, or in respect of the Collateral or made in connection herewith or therewith. Anything herein to the contrary notwithstanding, neither the Collateral Agent nor any other Secured Party shall have any obligation or liability under any contracts, agreements and other documents included in the Collateral by reason of this Agreement, nor shall the Collateral Agent or any other Secured Party be obligated to perform any of the obligations or duties of any Grantor thereunder or to take any action to collect or enforce any such contract, agreement or other document included in the Collateral. The obligations of each Grantor contained in this Section 9.11 shall survive the termination hereof and the discharge of such Grantor's other obligations under this Agreement, the Loan Agreement and the other Loan Documents.

Section 9.12 **Obligations Absolute**. Each Grantor hereby waives demand, notice, protest, notice of acceptance of this Agreement, notice of loans made, credit extended, Collateral received or delivered or other action taken in reliance hereon and all other demands and notices of any description. All obligations of each Grantor hereunder shall be absolute and unconditional irrespective of:

(a) any illegality or lack of validity or enforceability of any Secured Obligation or any Loan Document or any related agreement or instrument;

(b) any change in the time, place or manner of payment of, or in any other term of, the Secured Obligations or any other obligation of any Loan Party under any Loan Document, or any amendment or other modification of any Loan Document or any other agreement, including any increase in the Secured Obligations resulting from any extension of additional credit or otherwise;

(c) any taking, exchange, substitution, release, impairment or non-perfection of any Collateral, or any taking, release, impairment, amendment, waiver or other modification of any guaranty, for the Secured Obligations;

(d) any manner of sale, disposition or application of proceeds of any Collateral or any other collateral or other assets to all or part of the Secured Obligations;

(e) any default, failure or delay, willful or otherwise, in the performance of the Secured Obligations;

(f) any change, restructuring or termination of the corporate structure, ownership or existence of any Loan Party or any of its Subsidiaries;

(g) any failure of any Secured Party to disclose to any Loan Party any information relating to the business, condition (financial or otherwise), operations, performance, properties or prospects of any other Loan Party now or hereafter known to such Secured Party; each Grantor waiving any duty of the Secured Parties to disclose such information;

(h) the failure of any other Person to execute or deliver this Agreement, any Joinder Agreement or any other agreement or the release or reduction of liability of any Grantor or other grantor or surety with respect to the Secured Obligations;

(i) the failure of any Secured Party to assert any claim or demand or to exercise or enforce any right or remedy under the provisions of any Loan Document or otherwise;

(j) any defense, set-off or counterclaim (other than a defense of payment or performance) that may at any time be available to, or be asserted by, any Grantor against any Secured Party; or

(k) any other circumstance (including, without limitation, any statute of limitations) or manner of administering the Loans or any existence of or reliance on any representation by any Secured Party that might vary the risk of any Grantor or otherwise operate as a defense available to, or a legal or equitable discharge of, any Loan Party or any other guarantor or surety.

Section 9.13 **Counterparts; Integration; Effectiveness**. This Agreement and any amendments, waivers, consents or supplements hereto may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all taken together shall constitute a single contract. This Agreement and the other Loan Documents, and any separate letter agreements with respect to fees payable to the Collateral Agent, constitute the entire contract among the parties with respect to the subject matter hereof and supersede all previous agreements and understandings, oral or written, with respect thereto. Except as provided in Article VI (Conditions Precedent) of the Loan Agreement, this Agreement shall become effective when it shall have been executed by the Collateral Agent and when the Collateral Agent shall have received counterparts hereof signed by each of the other parties hereto. Delivery of an executed counterpart of a signature page to this Agreement by facsimile or in electronic PDF format shall be effective as delivery of a manually executed counterpart of this Agreement. The words "***execution,***" "***signed,***" "***signature,***" and words of similar import in this Agreement shall be deemed to include electronic or digital signatures or electronic records, each of which shall be of the same effect, validity, and enforceability as manually executed signatures or a paper-based recordkeeping system, as the case may be, to the extent and as provided for under applicable law, including the Electronic Signatures in Global and National Commerce Act of 2000 (15 U.S.C. §§ 7001 to 7031), the Uniform Electronic Transactions Act (UETA), or any state law based on the UETA.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have caused this Security Agreement to be executed as of the date first written above by their respective officers thereunto duly authorized.

GRANTORS:

SCG Holding, LLC

By: /s/ Justin Dye
Name: Justin Dye
Title: Chief Executive Officer

PBS HoldCo LLC

By: /s/ Justin Dye
Name: Justin Dye
Title: Chief Executive Officer

Mesa Organics Ltd.

By: /s/ Justin Dye
Name: Justin Dye
Title: Chief Executive Officer

Mesa Organics II Ltd

By: /s/ Justin Dye
Name: Justin Dye
Title: Chief Executive Officer

Mesa Organics III Ltd

By: /s/ Justin Dye
Name: Justin Dye
Title: Chief Executive Officer

Mesa Organics IV Ltd

By: /s/ Justin Dye
Name: Justin Dye
Title: Chief Executive Officer

COLLATERAL AGENT:

GGG Partners, LLC

By: /s/ Katie Goodman
Name: Katie Goodman
Title: Managing Member

EXHIBIT A

FORM OF JOINDER AGREEMENT

THIS JOINDER AGREEMENT (the "***Joinder Agreement***"), dated as of {DATE} is made by {JOINING GRANTOR}, a {STATE OF ORGANIZATION} {ENTITY TYPE} (the "***Joining Grantor***"), and delivered to GGG Partners, LLC, a Georgia limited liability company, in its capacity as collateral agent (in such capacity and together with any successors in such capacity, the "***Collateral Agent***") under that certain Security Agreement (as amended, amended and restated, supplemented or otherwise modified from time to time, the "***Security Agreement***"; capitalized terms used but not otherwise defined herein shall have the meanings assigned to such terms in the Security Agreement), dated as of {DATE} made by and among SCG Holding LLC, a Colorado limited liability company, PBS HoldCo LLC, a Colorado limited liability company, Mesa Organics Ltd., a Colorado limited liability company, Mesa Organics II Ltd, a Colorado limited liability company, Mesa Organics III Ltd, a Colorado limited liability company, and Mesa Organics IV Ltd, a Colorado limited liability company (each, a "***Grantor***" and collectively, the "***Grantors***"), in favor of the Collateral Agent.

WHEREAS, the Joining Grantor is a Subsidiary of Grantor and required by the terms of the Loan Agreement to become a Guarantor (as defined in the Loan Agreement) and be joined as a party to the Security Agreement as a Grantor;

WHEREAS, this Joinder Agreement supplements the Security Agreement and is delivered by the Joining Grantor pursuant to Section 3.05 of the Security Agreement; and

WHEREAS, the Joining Grantor will materially benefit directly and indirectly from the Loans made available and to be made available to the Grantors by the Lender under the Loan Agreement;

NOW, THEREFORE, the Joining Grantor hereby agrees as follows with the Collateral Agent, for the ratable benefit of the Secured Parties:

1. **Joinder**. The Joining Grantor hereby irrevocably, absolutely and unconditionally becomes a party to the Security Agreement as a Grantor and agrees to be bound by all the terms, conditions, covenants, obligations, liabilities and undertakings of each Grantor or to which each Grantor is subject thereunder, all with the same force and effect as if the Joining Grantor were a signatory to the Security Agreement. Without limiting the generality of the foregoing, as collateral security for the payment and performance in full of all the Secured Obligations, the Joining Grantor hereby pledges to the Collateral Agent for the ratable benefit of the Secured Parties, and grants to the Collateral Agent for the ratable benefit of the Secured Parties a Lien on and security interest in and to, all of its right, title and interest in, to and under the Collateral owned by it, wherever located, and whether now existing or hereafter arising or acquired from time to time and expressly assumes all obligations and liabilities of a Grantor thereunder.

2. **Affirmations**. The Joining Grantor hereby makes each of the representations and warranties and agrees to each of the covenants applicable to the Grantors contained in the Security Agreement. The Joining Grantor also represents and warrants to the Collateral Agent and the Secured Parties that (i) it has the {corporate} power and authority, and the legal right, to make, deliver and perform this Joinder Agreement and has taken all necessary {corporate} action to authorize the execution, delivery and performance of this Joinder Agreement; (ii) no consent or authorization of, filing with, notice to or other act by or in respect of, any Governmental Authority or any other Person that has not been obtained, made or completed is required in connection with the execution, delivery and performance, validity or enforceability of this Joinder Agreement; (iii) this Joinder Agreement has been duly executed and delivered on behalf of the Joining Grantor; and (iv) this Joinder Agreement constitutes a legal, valid and binding obligation of the Joining Grantor enforceable against such Joining Grantor in accordance with its terms, subject to the effects of bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other similar laws relating to or affecting creditors' rights generally, general equitable principles (whether considered in a proceeding in equity or at law) and an implied covenant of good faith and fair dealing.

3. **Supplemental Schedules**. Attached to this Joinder Agreement are duly completed schedules (the "***Supplemental Schedules***") supplementing the respective Schedules to the Security Agreement. The Joining Grantor represents and warrants that the information contained on each of the Supplemental Schedules with respect to such Joining Grantor and its properties is true, complete and accurate as of the date hereof. Such Supplemental Schedules shall be deemed to be part of the Security Agreement.

4. **Severability**. The provisions of this Joinder Agreement are independent of and separable from each other. If any provision hereof shall for any reason be held invalid or unenforceable, such invalidity or unenforceability shall not affect the validity or enforceability of any other provision hereof, but this Joinder Agreement shall be construed as if such invalid or unenforceable provision had never been contained herein.

5. **Counterparts**. This Joinder Agreement may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. Delivery of an executed counterpart of a signature page to this Joinder Agreement by facsimile or in electronic PDF format shall be effective as delivery of a manually executed counterpart of this Joinder Agreement.

6. **Delivery**. The Joining Grantor hereby irrevocably waives notice of acceptance of this Joinder Agreement and acknowledges that the Secured Obligations are incurred, and credit extensions under the Loan Agreement and the other Loan Documents made and maintained, in reliance on this Joinder Agreement and the Joining Grantor's joinder as a party to the Security Agreement as herein provided.

7. **Governing Law; Venue; Waiver of Jury Trial**. This Joinder Agreement and any claim, controversy, dispute or cause of action (whether in contract or tort or otherwise) based upon, arising out of or relating to this Joinder Agreement and the transactions contemplated hereby and thereby shall be governed by and construed in accordance with the laws of Delaware. The provisions of Section 9.09 of the Security Agreement are hereby incorporated by reference as if fully set forth herein.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have caused this Joinder Agreement to be executed as of the date first written above by their respective officers thereunto duly authorized.

{NAME OF JOINING GRANTOR}

By: _____
Name:
Title:

Address for Notices:

_____
_____
_____
Email:

AGREED TO AND ACCEPTED:

GGG Partners LLC, as Collateral Agent

By: _____
Name:
Title:

Address for Notices:

_____
_____
_____
Email:

Schedule 1

Notices

c/o Medicine Man Technologies, Inc.
4880 Havana Street, Suite 201
Denver, CO 80239
Telephone: (303) 371-0387
Facsimile: (303) 371-0598
Attention: General Counsel
E-mail: dan@schwazze.com

Schedule 2

Pledged Securities and Pledged Debt

Pledged Debt

None.

Pledged Securities

Grantor	Issuer	Pledged Securities
· Mesa Organics Ltd.	· Mesa Organics II Ltd	· 100% of membership interests
· Mesa Organics Ltd.	· Mesa Organics III Ltd	· 100% of membership interests
· Mesa Organics Ltd.	· Mesa Organics IV Ltd	· 100% of membership interests

Schedule 3

Perfection Filings and Filing Offices

Grantor	Filing	Filing Office
· PBS HoldCo LLC	· UCC-1 Financing Statement	· Colorado Secretary of State
· Mesa Organics Ltd.	· UCC-1 Financing Statement	· Colorado Secretary of State
· Mesa Organics II Ltd	· UCC-1 Financing Statement	· Colorado Secretary of State
· Mesa Organics III Ltd	· UCC-1 Financing Statement	· Colorado Secretary of State
· Mesa Organics IV Ltd	· UCC-1 Financing Statement	· Colorado Secretary of State
· SCG Holding, LLC	· UCC-1 Financing Statement	· Colorado Secretary of State

Schedule 4

Instruments and Tangible Chattel Paper

None.

Schedule 5

Type of Organization; Jurisdiction of Organization; Legal Name; FEIN;
Chief Executive Office; Principal Place of Business

Legal Name	Type of Organization	Jurisdiction of Organization	Federal Tax Identification Number	Chief Executive Office	Principal Place of Business
PBS HoldCo LLC	Limited liability company	Colorado	Applied for	4880 Havana Street, Suite 201, Denver CO 80239	30899 Hwy 50 East, Pueblo, CO 81006
Mesa Organics Ltd.	Limited liability company	Colorado	47-2907458	4880 Havana Street, Suite 201, Denver CO 80239	30899 Hwy 50 East, Pueblo, CO 81006
Mesa Organics II Ltd	Limited liability company	Colorado	83-2008592	4880 Havana Street, Suite 201, Denver CO 80239	611 E. 6th Street, Building A, Ordway, CO.
Mesa Organics III Ltd	Limited liability company	Colorado	83-4659550	4880 Havana Street, Suite 201, Denver CO 80239	1315 Elm Avenue, Rocky Ford, CO.
Mesa Organics IV Ltd	Limited liability company	Colorado	84-2448548	4880 Havana Street, Suite 201, Denver CO 80239	420 Bent Avenue, Las Animas, CO.
SCG Holding, LLC	Limited liability company	Colorado	In process	4880 Havana Street, Suite 201, Denver CO 80239	853 Greenhorn Mountain Circle Rye, CO 81069

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Schedule 6

Intellectual Property

Patents

None.

Trademarks

Registration Number	Status	Registration/ Issue Date	Mark	Owner/ Assignee	Jurisdiction
20141685274	Live	11-08-2014	 (Purplebee's Logo)	Mesa Organics Ltd.	Colorado
20141685283	Live	11-08-2014	Purplebee's	Mesa Organics Ltd.	Colorado
20141763087	Live	12-18-2014	Purplebee's (tradename)	Mesa Organics Ltd.	Colorado
20141763167	Live	12-18-2014	 (Mesa Organics Logo)	Mesa Organics Ltd.	Colorado
20141763084	Live	12-8-2014	Mesa Organics (tradename)	Mesa Organics Ltd.	Colorado
20141765000	Live	12-08-2014	Mesa Organics	Mesa Organics Ltd.	Colorado
20191573121	Live	07-19-2019	Mesa Organics – Las Animas (tradename)	Mesa Organics IV Ltd.	Colorado
20181757069	Live	09-25-2018	Mesa Organics – Ordway (tradename)	Mesa Organics II Ltd.	Colorado
20191573127	Live	07-19-2019	Mesa Organics – Pueblo (tradename)	Mesa Organics Ltd.	Colorado
20191387357	Live	05-04-2019	Mesa Organics – Rocky Ford (tradename)	Mesa Organics III Ltd.	Colorado
20171537130	Live	07-17-2017	Pure CO2.	Mesa Organics Ltd.	Colorado
20181796049	Live	10-07-2018		Mesa Organics Ltd.	Colorado

Copyrights

None.

Domain Names:

Mesaorganics.com
Purplebees.com

Intellectual Property Licenses
None.

Schedule 7

Location of Inventory and Equipment

Grantor	Location of Inventory & Equipment
· PBS HoldCo LLC	N/A
· Mesa Organics Ltd.	· The approximately 0.5 acres of land and garage building located on Baxter Road adjacent to 30965 Hwy 50 East, Pueblo, CO · 30899 Hwy 50 East, Buildings A, B, C and D, Pueblo, CO · 30965 Hwy 50 East, Pueblo, CO
· Mesa Organics II Ltd	· 611 E. 6th Street, Building A, Ordway, CO.
· Mesa Organics III Ltd	· 1315 Elm Avenue, Rocky Ford, CO.
· Mesa Organics IV Ltd	· 420 Bent Avenue, Las Animas, CO.
· SCG Holding, LLC	4880 Havana Street Ste 201, Denver, CO

Schedule 8

Deposit Accounts

Loan Party	Bank (with address)	Account Number	Type of Account
Mesa Organics, Ltd.	Safe Harbor 6221 Sheridan Blvd Arvada, CO 80003	12897582	Checking Account

Schedule 9

Commercial Tort Claims

None.

Exhibit 10.7

PARENT GUARANTY

This PARENT GUARANTY (this "***Agreement***"), dated as of February 26, 2021, is made by and between MEDICINE MAN TECHNOLOGIES, INC., a Nevada corporation ("***Guarantor***"); and GGG Partners, LLC, a Georgia limited liability company, in its capacity as collateral agent for the Lender (as defined below) (in such capacity and together with any successors in such capacity, the "***Collateral Agent***") acting pursuant to this Agreement for the benefit of the Secured Parties (as defined in the Loan Agreement referred to below).

RECITALS

A. Pursuant to that certain Loan Agreement of even date herewith (as amended, restated, supplemented or otherwise modified from time to time, including all schedules and exhibits thereto, the "***Loan Agreement***"), by and among SHWZ Altmore, LLC, a Delaware limited liability company (the "***Lender***"); the Collateral Agent; Mesa Organics Ltd., a Colorado limited liability company; Mesa Organics II Ltd, a Colorado limited liability company; Mesa Organics III Ltd, a Colorado limited liability company; Mesa Organics IV Ltd, a Colorado limited liability company; SCG Holding, LLC, a Colorado limited liability company; and PBS HoldCo LLC, a Colorado limited liability company (together with each Person that joins the Loan Agreement as a borrower, each a "***Borrower***" and collectively, the "***Borrowers***"), the Lender is willing to make Loans.

B. Guarantor is the direct or indirect parent company of each Borrower.

C. The Borrowers and Guarantor are engaged in related businesses, and Guarantor will derive substantial direct and indirect benefit from the making of the Loans under the Loan Agreement.

D. It is a condition precedent to the making of Loans by the Lender that the Guarantor shall have executed and delivered this Agreement.

NOW THEREFORE, in consideration of the premises and in order to induce the Lender to make Loans, Guarantor hereby agrees as follows:

ARTICLE I
DEFINITIONS

Section 1.01 **Definitions**. Unless otherwise defined herein, capitalized terms defined in the Loan Agreement or the Security Agreement (as defined in the Loan Agreement) and used herein shall have the meanings given to them in the Loan Agreement or the Security Agreement, as applicable.

Section 1.02 **Interpretation**. Section 1.02 of the Loan Agreement is hereby incorporated by reference herein *mutatis mutandis*. All references in this Agreement to Sections are references to Sections of this Agreement unless otherwise specified.

Section 1.03 **Resolution of Drafting Ambiguities**. Guarantor acknowledges and agrees that it is represented by counsel in connection with the execution and delivery of this Agreement, that it and its counsel have reviewed and participated in the preparation and negotiation of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party (i.e., the Collateral Agent) shall not be employed in the interpretation of this Agreement.

ARTICLE II
GUARANTEE

Section 2.01 **Guaranty**. Guarantor, hereby absolutely, unconditionally and irrevocably guarantees, as primary obligor and not merely as surety, the prompt and complete payment and performance by the Loan Parties when due (whether at the stated maturity, by acceleration or otherwise) of the Guaranteed Obligations. For purposes hereof, "***Guaranteed Obligations***" means the "Obligations" (as defined in the Loan Agreement, which, for avoidance of doubt, will not include any contingent obligations that are not yet due and payable) including, without duplication, the following:

(a) the principal of and premium, if any, and interest at the rate specified in the Loan Agreement (including Postpetition Interest, if any) on the Loans (including any reimbursement obligation for disbursements) when and as due, whether at scheduled maturity, date set for prepayment, by acceleration or otherwise;

(b) all other monetary obligations of any and all Borrowers to the Secured Parties under the Loan Documents, when and as due, including fees, costs, expenses (including, without limitation, reasonable fees and expenses of a single outside counsel incurred by the Collateral Agent or any other Secured Party in enforcing any rights under this Agreement or any other Loan Document), contract causes of action and indemnities, whether primary, secondary, direct or indirect, absolute or contingent, fixed or otherwise owed by any and all Borrowers to the Secured Parties under the Loan Documents (including monetary obligations incurred during the pendency of any bankruptcy, insolvency, receivership or other similar proceeding, regardless of whether allowed or allowable in such proceeding);

(c) the due and prompt performance of all covenants, agreements, obligations and liabilities of any Borrower under or in respect of the Loan Documents; and

(d) the due and prompt payment and performance of all other obligations and liabilities of any Borrower under or in respect of each Loan Document.

Section 2.02 **Continuing Guaranty**. This Agreement is a continuing guaranty and shall (a) remain in full force and effect until the latest of (i) the payment in full in cash of the Guaranteed Obligations (other than contingent obligations that are not yet due and payable) and all other amounts payable under this Agreement, and (ii) the Maturity Date (the "***Termination Date***"), (b) be binding on Guarantor, its successors and assigns, and (c) inure to the benefit of and be enforceable by the Secured Parties and their successors and assigns.

Section 2.03 **Modification of the Guaranteed Obligations**. Guarantor agrees that all or part of the Guaranteed Obligations may be increased, extended, substituted, amended, renewed or otherwise modified without notice to or consent from Guarantor and such actions shall not affect the liability of Guarantor hereunder. Without limiting the generality of the foregoing, Guarantor's liability shall extend to all amounts that constitute part of the Guaranteed Obligations and would be owed by any other Loan Party to any Secured Party under or in respect of the Loan Documents but for the fact that they are unenforceable or not allowable due to the existence of a bankruptcy, reorganization or similar proceeding involving such other Loan Party.

Section 2.04 **Limitation of Liability**. Anything herein or in any other Loan Document to the contrary notwithstanding, the maximum liability of Guarantor hereunder and under the other Loan Documents shall in no event exceed the amount which can be guaranteed by Guarantor under Debtor Relief Laws.

Section 2.05 **Reinstatement**. Guarantor agrees that its guaranty hereunder shall continue to be effective or be reinstated, as the case may be, if at any time all or part of any payment of any of the Guaranteed Obligations is rescinded or must otherwise be returned by any Secured Party or any other Person upon the insolvency, bankruptcy or reorganization of Guarantor, any Borrower, or otherwise.

Section 2.06 **Effectiveness**. This Agreement shall become effective when it shall have been executed by the Collateral Agent and when the Collateral Agent shall have received counterparts hereof that together bear the signatures of each of the other parties hereto.

ARTICLE III
GUARANTY ABSOLUTE AND UNCONDITIONAL; WAIVERS; MARSHALING

Section 3.01 **Guaranty Absolute and Unconditional; No Waiver of Guaranteed Obligations**.

(a) Guarantor guarantees that the Guaranteed Obligations will be paid in accordance with the terms of the Loan Documents, regardless of any law, regulation or order of any Governmental Authority now or hereafter in effect. The obligations of Guarantor hereunder are independent of the Obligations of the Borrowers under any Loan Document. A separate action may be brought against Guarantor to enforce this Agreement, whether or not any action is brought against any Borrower or whether or not a Borrower is joined in any such action.

(b) The liability of Guarantor hereunder is irrevocable, continuing, absolute and unconditional and the Guaranteed Obligations of Guarantor hereunder, to the fullest extent permitted by applicable law, shall not be discharged or impaired or otherwise affected by, and Guarantor hereby irrevocably waives any defenses to enforcement it may have (now or in the future) by reason of: (i) any illegality or lack of validity or enforceability of any Obligations or any Loan Document or any related agreement or instrument; (ii) any change in the time, place or manner of payment of, or in any other term of, the Obligations or any other obligation of any Loan Party under any Loan Document, or any rescission, waiver, amendment or other modification of any Loan Document or any other agreement, including any increase in the Obligations resulting from any extension of additional credit or otherwise; (iii) any taking, exchange, substitution, release, impairment or non-perfection of any collateral, or any taking, release, impairment, amendment, waiver or other modification of any guaranty, for the Guaranteed Obligations; (iv) any manner of sale, disposition or application of proceeds of any Collateral or any other assets to all or part of the Guaranteed Obligations; (v) any default, failure or delay, willful or otherwise, in the performance of the Guaranteed Obligations; (vi) any change, restructuring or termination of the corporate structure, ownership or existence of any Loan Party or any of its Subsidiaries or any insolvency, bankruptcy, reorganization or other similar proceeding affecting a Borrower or its assets or any resulting release or discharge of any of the Obligations; (vii) any failure of any Secured Party to disclose to any Loan Party any information relating to the business, condition (financial or otherwise), operations, performance, properties or prospects of any other Loan Party now or hereafter known to such Secured Party and Guarantor waives any duty of the Secured Parties to disclose such information; (viii) the failure of any other Person to execute or deliver this Agreement or any other guaranty or agreement or the release or reduction of liability of Guarantor or other guarantor or surety with respect to the Guaranteed Obligations; (ix) the failure of any Secured Party to assert any claim or demand or to exercise or enforce any right or remedy under the provisions of any Loan Document or otherwise; (x) any defense, set-off or counterclaim (other than a defense of payment or performance) that may at any time be available to, or be asserted by, a Borrower against any Secured Party; or (xi) any other circumstance (including, without limitation, any statute of limitations) or manner of administering the Loans or any existence of or reliance on any representation by any Secured Party that might vary the risk of Guarantor or otherwise operate as a defense available to, or a legal or equitable discharge of, any Loan Party or any other guarantor or surety.

Section 3.02 **Waivers and Acknowledgements**.

(a) Guarantor hereby unconditionally and irrevocably waives any right to revoke this Agreement and acknowledges that this Agreement is continuing in nature and applies to all presently existing and future Guaranteed Obligations.

(b) Guarantor hereby unconditionally and irrevocably waives promptness, diligence, notice of acceptance, presentment, demand for performance, notice of non-performance, default, acceleration, protest or dishonor and any other notice with respect to any of the Guaranteed Obligations and this Agreement and any requirement that any Secured Party protect, secure, perfect or insure any Lien or any property subject thereto.

(c) Guarantor hereby unconditionally and irrevocably waives any defense based on any right of set-off or recoupment or counterclaim against or in respect of the Guaranteed Obligations of Guarantor hereunder.

(d) Guarantor acknowledges that the Collateral Agent may, at its election and without notice to or demand upon Guarantor, foreclose on any Collateral or other collateral held by it by one or more judicial or non-judicial sales, accept an assignment of any such Collateral or other collateral in lieu of foreclosure, compromise or adjust any part of the Guaranteed Obligations, make any other accommodation with a Borrower or any other guarantor or exercise any other right or remedy available to it against a Borrower or any other guarantor, without affecting or impairing in any way the liability of Guarantor hereunder except to the extent the Guaranteed Obligations have been paid in full or collateralized in full in cash. Guarantor hereby waives any defense arising out of such election even though such election operates, pursuant to applicable law, to impair or to extinguish any right of subrogation, reimbursement, exoneration, contribution or indemnification or other right or remedy of Guarantor against a Borrower or any other guarantor or any Collateral or any other collateral.

Section 3.03 **Marshalling**. Neither the Collateral Agent nor any other Secured Party shall be required to marshal any present or future collateral security (including but not limited to the Collateral) for, or other assurances of payment of, the Guaranteed Obligations or any of them or to resort to such collateral security or other assurances of payment in any particular order, and all of the rights and remedies of the Secured Parties hereunder and of the Secured Parties in respect of such collateral security and other assurances of payment shall be cumulative and in addition to all other rights and remedies, however existing or arising. To the extent that it lawfully may, Guarantor hereby agrees that it will not invoke any law relating to the marshaling of collateral which might cause delay in or impede the enforcement of the Collateral Agent's and the other Secured Parties' rights and remedies under this Agreement or under any other instrument creating or evidencing any of the Guaranteed Obligations or under which any of the Guaranteed Obligations is outstanding or by which any of the Guaranteed Obligations is secured or payment thereof is otherwise assured, and, to the extent that it lawfully may, Guarantor hereby irrevocably waives the benefits of all such laws.

ARTICLE IV
GUARANTOR RIGHTS OF SUBROGATION, ETC.

Section 4.01 **Agreement to Pay**. Without limiting any other right that the Collateral Agent or any other Secured Party has at law or in equity against Guarantor, if a Borrower or any other Loan Party fails to pay any of the Guaranteed Obligations when and as due, whether at maturity, by acceleration, after notice of prepayment or otherwise, Guarantor agrees to promptly pay the amount of such unpaid Guaranteed Obligations to the Collateral Agent or such other Secured Party in cash. Upon payment by Guarantor of any sums to the Collateral Agent or such other Secured Party as provided herein, all of Guarantor's rights of subrogation, exoneration, contribution, reimbursement, indemnity or otherwise arising therefrom against any Borrower shall be subordinate and junior in right of payment to the prior indefeasible payment in full in cash of all Guaranteed Obligations (other than contingent obligations that are not yet due and payable).

Section 4.02 **Subordination**.

(a) Any indebtedness of any Borrower now or hereafter held by Guarantor is hereby subordinated in right of payment to the prior payment in full in cash of the Guaranteed Obligations. If any payment shall be paid to Guarantor in violation of the immediately preceding sentence on account of (i) such subrogation, exoneration, contribution, reimbursement, indemnity or similar right or (ii) any such indebtedness of each Borrower, such amount shall be held in trust for the benefit of the Secured Parties and reasonably promptly paid or delivered to the Collateral Agent in the same form as so received (with any necessary endorsement or assignment) to be credited against the payment of the Guaranteed Obligations, whether due or to become due, in accordance with the terms of the Loan Documents or to be held as Collateral for any Guaranteed Obligations. If Guarantor shall make payment to any Secured Party of all or any part of the Guaranteed Obligations, after indefeasible payment in full in cash of all Guaranteed Obligations (other than contingent obligations that are not yet due and payable), the Secured Parties will, at Guarantor's request and expense, execute and deliver to Guarantor, without recourse or representation or warranty, appropriate documents necessary to evidence the transfer by subrogation to Guarantor of an interest in the Guaranteed Obligations resulting from such payment.

(b) Guarantor hereby subordinates any and all obligations owed to Guarantor by each Borrower and each other Loan Party (the "***Subordinated Guaranteed Obligations***") to the Guaranteed Obligations to the extent provided below:

(i) Except during the continuance of an Event of Default (including the commencement and continuation of any proceeding against any Loan Party under any Debtor Relief Law), Guarantor may receive regularly scheduled payments of principal and interest on the Subordinated Guaranteed Obligations from any Loan Party. After the occurrence and during the continuance of any Event of Default (including the commencement and continuation of any proceeding against any Loan Party under any Debtor Relief Law), no Guarantor shall accept, demand or take any action to collect any payment on the Subordinated Guaranteed Obligations without the prior written consent of the Collateral Agent.

(ii) Guarantor agrees that the Secured Parties shall be entitled to receive full payment in cash of all Guaranteed Obligations (other than contingent obligations that are not yet due and payable) in any proceeding under any Debtor Relief Law against any other Loan Party before Guarantor receives any payment on account of any Subordinated Guaranteed Obligations.

(iii) After the occurrence and during the continuance of any Event of Default (including the commencement and continuation of any proceeding against any Loan Party under any Debtor Relief Law), upon the written request of the Collateral Agent, Guarantor shall collect, enforce and receive payments on the Subordinated Guaranteed Obligations as trustee for the Secured Parties and deliver such payments to the Collateral Agent on account of the Guaranteed Obligations, together with any necessary endorsements or other instruments of transfer, without reducing or affecting the liability of Guarantor under this Agreement in any respect.

(iv) After the occurrence and during the continuance of any Event of Default (including the commencement and continuation of any proceeding against any Loan Party under any Debtor Relief Law), the Collateral Agent is authorized and empowered (but not obligated), in its discretion, (x) in the name of Guarantor, to collect and enforce, and to submit claims in respect of, Subordinated Guaranteed Obligations and to apply any amount so received to the Guaranteed Obligations or hold such amounts as Collateral for any Guaranteed Obligations, and (y) to require Guarantor (A) to collect and enforce and to submit claims in respect of, Subordinated Guaranteed Obligations and (B) to pay any amounts received on such obligations to the Collateral Agent for application to the Guaranteed Obligations or to be held as Collateral for any Guaranteed Obligations.

ARTICLE V
REPRESENTATIONS AND WARRANTIES; COVENANTS

Section 5.01 **Representations and Warranties**. Guarantor represents and warrants to each Secured Party that:

(a) Guarantor (a) is duly organized, validly existing, and in good standing under the laws of the jurisdiction of its formation, and (b) is duly qualified as a foreign corporation and in good standing under the laws of each jurisdiction where its ownership, lease, or operation of property or the conduct of its business requires such qualification except to the extent that the failure to qualify in such jurisdiction would not reasonably be expected to have a Material Adverse Effect.

(b) Guarantor has the power and authority, and the legal right, to own or lease and operate its property, and to carry on its business as now conducted, and to execute, deliver, and perform this Agreement and any other Loan Documents to which it is a party. Guarantor has taken all necessary organizational action to authorize the execution, delivery, and performance of this Agreement and any other Loan Documents to which it is a party. This Agreement has been duly executed and delivered by Guarantor.

(c) This Agreement constitutes a legal, valid, and binding obligation of Guarantor, enforceable against Guarantor in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws affecting the enforcement of creditors' rights generally and by general equitable principles (whether enforcement is sought by proceedings in equity or at law).

(d) There are no conditions precedent to the effectiveness of this Agreement that have not been satisfied or waived.

(e) Guarantor has, independently and without reliance upon any Secured Party and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement and any other Loan Document to which it is or may become a party, and has established reasonably adequate procedures for continually obtaining information pertaining to, and is now and at all times will be adequately familiar with, the business, condition (financial or otherwise), operations, performance, properties and prospects of each Borrower.

Section 5.02 **Covenants**. Guarantor covenants and agrees that, until the Termination Date:

(a) Guarantor will perform and observe all of the terms, covenants and agreements set forth in this Agreement, and cause the Borrowers and each Subsidiary of a Borrower to perform and observe, all of the terms, covenants and agreements set forth in the Loan Documents that are required to be, or that the Borrowers have agreed to cause to be, performed or observed by a Borrower or Subsidiary of a Borrower.

(b) At the sole expense of Guarantor, and upon written request from the Collateral Agent, Guarantor will promptly execute and deliver any and all such further instruments and documents and take such further action as the Collateral Agent or Lender may reasonably request in writing to obtain the full benefits of this Agreement and of the rights and powers herein granted.

(c) Guarantor acknowledges that the rights and responsibilities of the Collateral Agent under this Agreement with respect to any action taken by the Collateral Agent or the exercise or non-exercise by the Collateral Agent of any option, right, request, judgment or other right or remedy provided for herein or resulting or arising out of this Agreement shall, as between the Collateral Agent and the other Secured Parties, be governed by the Loan Agreement and by such other agreements with respect thereto as may exist from time to time among them, but, as between the Collateral Agent and Guarantor, the Collateral Agent shall be conclusively presumed to be acting as agent for the Secured Parties with full and valid authority so to act or refrain from acting in the manner set forth in Section 3.02 of the Loan Agreement, and Guarantor shall not be under any obligation, or entitlement, to make any inquiry respecting such authority.

ARTICLE VI
MISCELLANEOUS

Section 6.01 **Taxes; Waivers; Survival; Counterparts; Severability; Jurisdiction; Consent to Service of Process**. The following provisions of the Loan Agreement are hereby incorporated by reference herein *mutatis mutandis*: Section 2.11; Section 9.02(a); Section 9.05; Section 9.06; Section 9.07; and Section 9.09(b), (c), and (d).

Section 6.02 **Indemnification; Waiver**.

(a) Guarantor shall indemnify the Collateral Agent, the Lender and each Related Party of any of the foregoing Persons (each such Person being called an "***Indemnitee***") in the manner and to the extent set forth in Section 9.03 of the Loan Agreement, including that an Indemnitee will not be entitled to collect Excluded Damages from a Grantor.

(b) To the fullest extent permitted by applicable law, Guarantor hereby agrees not to assert, and hereby waives, any Indemnitee on any theory of liability for Excluded Damages arising out of, in connection with, or as a result of, this Agreement, any other Loan Document or any agreement or instrument contemplated hereby, the transactions contemplated hereby or thereby, any extension of credit or the use of proceeds thereof.

(c) All amounts due under this Section shall be payable not later than 15 days after written demand therefor.

(d) Without prejudice to the survival of any other agreement of Guarantor under this Agreement or any other Loan Documents, the agreements and obligations of Guarantor contained in Section 2.01 (with respect to enforcement expenses), Section 2.05, Section 6.01 and this Section 6.02 shall survive termination of this Agreement and payment in full of the Guaranteed Obligations and all other amounts payable under this Agreement.

Section 6.03 **Notices**. Notices to any party shall be in writing and shall be delivered personally, by certified mail return receipt requested, by nationally-recognized overnight delivery service, by facsimile, or email addressed to the parties at the addresses set forth below or otherwise designated in writing as set forth in this Section 6.03:

If to the Guarantor: c/o Medicine Man Technologies, Inc.
4880 Havana Street, Suite 201
Denver, CO 80239
Telephone: (303) 371-0387
Facsimile: (303) 371-0598
Attention: General Counsel
E-mail: dan@schwazze.com

With a copy to: Brownstein Hyatt Farber Schreck, LLP
410 Seventeenth Street, Suite 2200
Denver, Colorado 80202
Attention: Scott McEachron
Telephone: (303)-223-1278
Facsimile: (303)-223-0946
Email: smceachron@bhfs.com

If to the Collateral Agent: _____
_____
_____
Email:
Fax:

Any communication hereunder will be deemed given and effective (a) when actually received, in the case of hand delivery, (b) the next Business Day in the case of an overnight delivery service, (c) three (3) Business Days in the case of certified mail return receipt requested, (d) when sent and received, as evidenced by a transmission report from sender's facsimile machine, in the case of facsimile transmission, and (e) on the date sent by email of a PDF document if sent before 5:00 pm local time of the recipient, and on the next Business Day if sent at or after 5:00 pm local time of the recipient, provided in such case that such sent email is kept on file (whether electronically or otherwise) by the sender and the sender does not receive a genuine automatically generated message from the recipient's email server that such email could not be delivered.

Section 6.04 **Assignments Under the Loan Agreement.** Any Secured Party may assign or otherwise transfer all or any portion of its rights and obligations under the Loan Agreement (including all or any portion of the Loans owing to it) to any other Person, and such other Person shall thereupon become vested with all the benefits in respect thereof granted to such Secured Party herein or otherwise, in each case as and to the extent provided in the Loan Agreement. Guarantor shall not have the right to assign its rights hereunder or any interest herein without the prior written consent of the Secured Parties.

Section 6.05 **Integration**. This Agreement and the other Loan Documents to which Guarantor is a party constitute the entire contract among the parties with respect to the subject matter hereof and supersede all previous agreements and understandings, oral or written, with respect to the subject matter hereof.

Section 6.06 **Right of Set-off**. Guarantor hereby irrevocably authorizes the Collateral Agent and each other Secured Party at any time and from time to time after the occurrence and during the continuance of an Event of Default, to the fullest extent permitted by law, and without prior notice to Guarantor or any other Loan Party, any such notice being expressly waived by Guarantor, to set off and appropriate and apply any and all deposits (general or special, time or demand, provisional or final, in whatever currency) at any time held and other obligations (in whatever currency) at any time owing by such Secured Party to or for the credit or the account of Guarantor or any other Loan Party against any and all of the obligations of Guarantor or such Loan Party now or hereafter existing under this Agreement or any other Loan Document to such Secured Party whether direct or indirect, absolute or contingent, matured or unmatured, and irrespective of whether or not such Secured Party shall have made any demand under this Agreement or any other Loan Document.

Section 6.07 **Amendments**. No term or provision of this Agreement may be waived, amended, supplemented or otherwise modified except in a writing signed by Guarantor and the Collateral Agent.

Section 6.08 **Governing Law**. This Agreement and the other Loan Documents and any claim, controversy, dispute, or cause of action (whether in contract or tort or otherwise) based upon, arising out of, or relating to this Agreement or any other Loan Document (except, as to any other Loan Document, as expressly set forth therein) and the transactions contemplated hereby and thereby shall be governed by, and construed in accordance with, the laws of the State of Delaware, without regard to conflicts of laws principles.

Section 6.09 **Waiver of Jury Trial**. EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY. EACH PARTY HERETO (A) CERTIFIES THAT NO AGENT, ATTORNEY, REPRESENTATIVE OR ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON WOULD NOT SEEK TO ENFORCE THE FOREGOING WAIVER IN THE EVENT OF LITIGATION, AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have caused this Parent Guaranty to be executed as of the date first written above by their respective officers thereunto duly authorized.

GUARANTOR:

Medicine Man Technologies, Inc.

By: /s/ Justin Dye
Name: Justin Dye
Title: Chief Executive Officer

COLLATERAL AGENT:

GGG Partners, LLC

By: /s/ Katie Goodman
Name: Katie Goodman
Title: Managing Member

Exhibit 99.1

Schwazze Completes Latest Financing Round

Colorado Cannabis Leader Has Raised $71 Million Since Last December

Closes on Additional Preferred Equity, Bringing its Total Raise to $56 Million

Closes on $15 Million in Debt Financing

Company Participating in Needham 2nd Annual Virtual Cannabis Conference on March 3, 2021

DENVER, COLORADO – March 2, 2021 /Business Wire/ -- Schwazze, formerly operating as Medicine Man Technologies Inc. (OTCQX: SHWZ) ("Schwazze" or "the Company"), today announced that it has closed its most recent tranche of preferred equity, increasing the total capital raised to date through its private placement offering to $56 million. CRW Capital Cann Holding, LLC ("CRW") led this investment round of $34 million along with an affiliate of Dye Capital & Company ("Dye Capital") and other unaffiliated investors.

Over the last three months, the Company raised a total of $71 million in financing split between this private placement offering and debt financing of $15 million. The first $10 million of this debt financing will be funded immediately while the remaining $5 million will be funded as part of the closing of an identified acquisition.

"We think that the combination of Schwazze and Star Buds will provide an outstanding base from which to create a true leader in the Colorado cannabis market, and we are excited to be an active partner to the Company as they pursue their bold vision in the years to come," said Jeff Cozad, President of CRW.

"This funding enables our team to close on the remaining Star Buds stores in Colorado and provide additional capital for growth. Our team members and investors are focused on taking care of our loyal customers and positioning Schwazze as one of the leading cannabis seed-to-sale companies in Colorado. We look forward to building a purpose-driven, innovative company in Colorado and beyond," said Justin Dye, Chief Executive Officer of Schwazze.

From mid-December 2020 through this financing closing, the Company raised $21.9 million of preferred equity and convertible debt which has since been converted into preferred equity.

In the private placement, the Company issued and sold an aggregate of approximately 56,000 shares of Series A Cumulative Convertible Preferred Stock at a price of $1,000 per share under a securities purchase agreement with Dye Capital and CRW managed funds as well as subscription agreements with unaffiliated investors. Among other terms, each share of Preferred Stock (i) earns an annual dividend of 8% on the "preference amount," which initially is equal to the $1,000 per-share purchase price and subject to increase, by having such dividends automatically accrete to, and increase, the outstanding preference amount; (ii) is entitled to a liquidation preference under certain circumstances, (iii) is convertible into shares of the Company's common stock by dividing the preference amount by $1.20 per share under certain circumstances, and (iv) is subject to a redemption right or obligation under certain circumstances. The material terms of the preferred stock are described in the Company's Current Report on Form 8-K filed on December 22, 2020.

The securities were offered by the Benchmark Company LLC and DelMorgan Group LLC.

An affiliate of Altmore Capital provided the Company with up to $15.0 million in debt that will mature in four years. The loan will earn 15% annual interest and the Company will begin to amortize the principle in its third year. There are fees, financial covenants, and prepayment fees associated with the note as well as a security agreement. The material terms of the debt will be described in a 8-K to be filed by the Company on or about March 4, 2021.

The securities offered in the private placement described above have not been registered under the Securities Act of 1933, as amended, or applicable state securities laws. Accordingly, the securities may not be offered or sold in the United States except pursuant to an effective registration statement or an applicable exemption from the registration requirements of the Securities Act and applicable state securities laws. This press release does not constitute an offer to sell or the solicitation of an offer to buy any securities.

Investor Conference Participation
Schwazze will be participating in the Needham 2nd Annual Virtual Cannabis Conference on Wednesday, March 3, 2021. Institutional investors interested in scheduling a meeting with the executive leadership team should contact their Needham representative.

About Schwazze
Schwazze (OTCQX: SHWZ) is focused on building the premier vertically integrated cannabis company in Colorado. The company's leadership team has deep expertise in the mainstream CPG, retail, and product development at Fortune 500 companies as well as in the cannabis sector The organization has a high-performance culture and a focus on analytical decision making, supported by data. Customer-centric thinking inspires Schwazze's strategy and provides the foundation for the company's operational playbooks.

Medicine Man Technologies, Inc. was Schwazze's former operating trade name. The corporate entity continues to be named Medicine Man Technologies, Inc.

Forward-Looking Statements
This press release contains "forward-looking statements." Such statements may be preceded by the words "may," "will," "plans," ""position" "predicts," or similar words. Forward-looking statements are not guarantees of future performance, are based on certain assumptions, and are subject to various known and unknown risks and uncertainties, many of which are beyond the Company's control and cannot be predicted or quantified. Consequently, actual results may differ materially from those expressed or implied by such forward-looking statements. Such risks and uncertainties include, without limitation, risks and uncertainties associated with (i) our inability to manufacture our products and product candidates on a commercial scale on our own or in collaboration with third parties; (ii) difficulties in obtaining financing on commercially reasonable terms; (iii) changes in the size and nature of our competition; (iv) loss of one or more key executives or scientists; (v) difficulties in securing regulatory approval to market our products and product candidates; and (vi) actual shareholder returns, (vii) our ability to successfully close on the second $5 million tranche under the loan described above, and (viii) our ability to successfully expand in Colorado and outside the state.. More detailed information about the Company and the risk factors that may affect the realization of forward-looking statements is set forth in the Company's filings with the Securities and Exchange Commission (SEC), including the Company's Annual Report on Form 10-K and its Quarterly Reports on Form 10-Q. Investors and security holders are urged to read these documents free of charge on the SEC's website at http://www.sec.gov. The Company assumes no obligation to publicly update or revise its forward-looking statements as a result of new information, future events or otherwise.

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