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): October 24, 2022

ACREAGE HOLDINGS, INC.

(Exact name of registrant as specified in its charter)

British Columbia, Canada	**000-56021**	**98-1463868**
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)
366 Madison Ave., 14th Floor, New York, New York		**10017**
(Address of principal executive offices)		(Zip code)

(646) 600-9181
(Registrant's telephone number, including area code)

450 Lexington Ave, #3308, New York, New York, 10163
(Former name or former address, if changed since last report)

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

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

Securities registered pursuant to Section 12(b) of the Act: None.

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class E subordinate voting shares	ACRHF	OTC Markets Group Inc.
Class D subordinate voting shares	ACRDF	OTC Markets Group Inc.

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

Emerging growth company ☒

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

Item 1.01 Entry into a Material Definitive Agreement.

As further described in the Press Release (as defined below), on October 24, 2022, Acreage Holdings, Inc. (the "Company" or "Acreage") entered into an arrangement agreement (the "Floating Share Arrangement Agreement") with Canopy Growth Corporation ("Canopy") and Canopy USA, LLC ("Canopy USA"), pursuant to which, subject to the approval of the holders of the issued and outstanding Class D subordinate voting shares of Acreage (the "Floating Shares" and such holders, the "Floating Shareholders") and the terms and conditions of the Floating Share Arrangement Agreement, Canopy USA will acquire all of the issued and outstanding Floating Shares by way of a court-approved plan of arrangement under the *Business Corporations Act* (British Columbia) (the "Floating Share Arrangement") in exchange for 0.45 of a common share of Canopy (the "Canopy Shares") for each Floating Share held. Concurrently with the entering into of the Floating Share Arrangement Agreement, Canopy irrevocably waived its option to acquire the Floating Shares pursuant to the plan of arrangement implemented on September 23, 2020 (the "Existing Arrangement") pursuant to the arrangement agreement between Canopy and Acreage dated April 18, 2019, as amended (the "Existing Arrangement Agreement").

Subject to the provisions of the Floating Share Arrangement Agreement, Canopy agreed to exercise its option pursuant to the Existing Arrangement Agreement (the "Fixed Option") to acquire Acreage's outstanding Class E subordinate voting shares (the "Fixed Shares"), representing approximately 70% of the total shares of Acreage as at the date hereof, at a fixed exchange ratio of 0.3048 of a Canopy Share for each Fixed Share.

The acquisition of the Floating Shares by Canopy USA pursuant to the Floating Share Arrangement is expected to occur immediately prior to the acquisition of the Fixed Shares pursuant to the terms of the Existing Arrangement Agreement. Upon exercise of the Fixed Option and completion of the Floating Share Arrangement, Canopy USA will own 100% of all outstanding Fixed Shares and Floating Shares. Completion of the Floating Share Arrangement is subject to the satisfaction or waiver of certain closing conditions, including receipt of applicable regulatory and court approvals, the approval of at least (i) 66⅔% of the votes cast by Floating Shareholders, and (ii) a majority of the votes cast by Floating Shareholders excluding the votes cast by "interested parties" and "related parties" under Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* ("MI 61-101") of the Canadian Securities Administrators, at a special meeting of Acreage shareholders (the "Special Meeting") expected to take place in January 2023.

In connection with the Floating Share Arrangement Agreement, on October 24, 2022, certain of Acreage's directors, officers and consultants entered into voting support agreements (the "Voting Support Agreements") with Canopy and Canopy USA, pursuant to which such persons have agreed, among other things, to vote their Floating Shares in favor of the Floating Share Arrangement, representing approximately 7.3% of the issued and outstanding Floating Shares.

In addition, on October 24, 2022, Acreage amended its existing US$150 million credit facility (the "Amended Credit Facility") with AFC Gamma, Inc. ("AFC Gamma") and Viridescent Realty Trust, Inc. ("Viridescent" and together with AFC Gamma, the "Lenders"). Under the terms of the Amended Credit Facility, Acreage exercised US$25 million for immediate draw with a further US$25 million available in future periods under a committed accordion option once certain predetermined milestones are achieved. In conjunction with entering into the Amended Credit Facility, the Lenders have waived the requirement for Acreage to comply with all financial debt covenants, except a minimum cash requirement, until December 31, 2023, and new covenants have been agreed upon in respect of all periods beginning on or after December 31, 2023, reflecting the Company's growth plan, financial position, and current market conditions. Finally, the Amended Credit Facility includes approval for Canopy USA to acquire control of Acreage without requiring repayment of all amounts outstanding under the Amended Credit Facility, provided certain conditions are satisfied. Acreage intends to use the proceeds of the Amended Credit Facility to fund expansion initiatives and provide additional working capital.

The Amended Credit Facility will bear interest at a variable rate of U.S. prime rate ("Prime") plus 5.75 % per annum, payable monthly in arrears, with a Prime floor of 5.50%, and a maturity date of January 1, 2026. Under the terms of the Amended Credit Facility, Acreage has the option to extend the maturity date to January 1, 2027, for a fee equal to 1.0% of the total amount available to be drawn under the Amended Credit Facility. Acreage will pay an amendment fee of US$1.25 million to the Lenders.

Concurrent with entering into the Amended Credit Facility, the Lenders and a wholly-owned subsidiary of Canopy (the "Acreage Debt Optionholder") entered into a letter agreement ("Letter Agreement"), pursuant to which the Acreage Debt Optionholder agreed, subject to certain conditions precedent, to acquire an option to purchase the outstanding principal including all accrued and unpaid interest thereon owed to the Lenders in exchange for an option premium payment of US$28.5 million (the "Option Premium"), to be held in escrow. In the event that Acreage repays the Amended Credit Facility on or prior to maturity, the Option Premium will be returned to the Acreage Debt Optionholder. In the event that Acreage defaults on the Amended Credit Facility and the Acreage Debt Optionholder does not exercise its option to acquire the Amended Credit Facility, the Option Premium will be released from escrow and delivered to the Lenders.

Concurrently with the execution of the Floating Share Arrangement Agreement, Canopy, on behalf of Canopy USA, agreed to issue (i) Canopy Shares with a value of approximately US$30.5 million to, among others, certain current or former unitholders (the "Holders") of High Street Capital Partners, LLC, a subsidiary of Acreage ("HSCP"), pursuant to HSCP's amended tax receivable agreement (the "TRA") and (ii) a payment with a value of approximately US$19.5 million in Canopy Shares to certain directors, officers or consultants of Acreage pursuant to HSCP's existing tax receivable bonus plans (the "Bonus Plans") under further amendments to each, both in order to reduce a potential liability of approximately US$121 million. In connection with the foregoing, Canopy will issue Canopy Shares with a value of approximately US$15.3 million to certain Holders as soon as practicable as the first installment under the amended TRA with a second payment of approximately US$15.3 million in Canopy Shares to occur on the earlier of (a) the second business day following the date on which the Floating Shareholders approve the Floating Share Arrangement; or (b) April 24, 2023. In addition, a final payment with a value of approximately US$19.5 million in Canopy Shares (the "TRA Bonuses") will be issued by Canopy to certain eligible participants under the amended Bonus Plans immediately prior to the completion of Floating Share Arrangement. The TRA Bonuses will be paid to recipients to be determined by Kevin Murphy, the administrator of the TRA, and may include one or more of Mr. Murphy, John Boehner, Brian Mulroney, and Peter Caldini, each of which are directors of Acreage and other directors, officers or consultants of Acreage as may be determined by Mr. Murphy. Canopy has also agreed to register the resale of such Canopy Shares under the Securities Act of 1933, as amended.

The foregoing descriptions of each of the Floating Share Arrangement Agreement, the Voting Support Agreements, the Amended Credit Facility, the Letter Agreement and the TRA is qualified in its entirety by reference to the full text of the Floating Share Arrangement Agreement, the Voting Support Agreements, the Amended Credit Facility, the Letter Agreement and the TRA, filed as Exhibits 10.1, 10.2, 10.3, 10.4 and 10.5, respectively, to this Current Report on Form 8-K ("Current Report").

Item 2.03 Creation of a Direct Financial Obligation.

The information set forth under Item 1.01 of this Current Report relating to the Amended Credit Facility is incorporated by reference into this Item 2.03.

Item 8.01 Other Events.

On October 25, 2022, the Company issued a press release (the "Press Release") to announce, among other things, the Floating Share Arrangement Agreement, the Voting Support Agreement, the Amended Credit Facility, the Letter Agreement, the TRA and the TRA Bonuses. A copy of the Press Release is attached hereto as Exhibit 99.1 and is incorporated by reference herein.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit No.	Description
10.1	Arrangement Agreement, dated October 24, 2022, by and among Acreage Holdings, Inc., Canopy Growth Corporation and Canopy USA, LLC
10.2	Form of Voting Support Agreement dated October 24, 2022.
10.3+	First Amendment to Credit Agreement and Incremental Increase Activation Notice, dated October 24, 2022, by and among High Street Capital Partners, LLC, Acreage Holdings, Inc., each lender identified on the signature pages thereto, AFC Agent LLC, as co-agent for the lenders, and VRT Agent LLC, as co-agent for the lenders.
10.4+	Third Amendment to Tax Receivable Agreement, dated October 24, 2022, by and among Acreage Holdings America, Inc., High Street Capital Partners, LLC, the members signatory thereto, Canopy Growth Corporation and Canopy USA LLC.
10.5	Fourth Amendment to Third Amended and Restated Limited Liability Agreement of High Street Capital Partners, LLC, dated October 24, 2022.
99.1	Press release dated October 25, 2022.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

+ Portions of this exhibit are redacted pursuant to Item 601(b)(10)(iv) of Regulation S-K.

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.

ACREAGE HOLDINGS, INC.

By: /s/ Steve Goertz
Steve Goertz
Chief Financial Officer

Date: October 28, 2022

Exhibit 10.1

Execution Copy

CANOPY USA, LLC

and

CANOPY GROWTH CORPORATION

and

ACREAGE HOLDINGS, INC.

ARRANGEMENT AGREEMENT

October 24, 2022

ARRANGEMENT AGREEMENT

THIS AGREEMENT is made as of the 24th day of October, 2022

BETWEEN:

Canopy USA, LLC, a limited liability company formed under the laws of the State of Delaware;

(the "**Purchaser**")

- and -

Canopy Growth Corporation, a corporation existing under the laws of Canada;

("**Canopy**")

- and -

Acreage Holdings, Inc., a company existing under the laws of the Province of British Columbia;

(the "**Company**").

WHEREAS the Company and Canopy are parties to an arrangement agreement dated April 18, 2019, as amended on May 15, 2019, September 23, 2020 and November 17, 2020 (the "**Existing Agreement**");

AND WHEREAS in connection with the Existing Agreement, the Company and Canopy implemented the Existing Arrangement (as defined herein) on September 23, 2020 pursuant to which, among other things, (i) the Company altered its authorized share structure to create the Company Fixed Shares, the Company Fixed Multiple Shares and the Company Floating Shares (as each such term is defined herein); (ii) Canopy acquired the Canopy Call Option (as defined herein); and (iii) Canopy acquired the Floating Call Option (as defined herein);

AND WHEREAS Canopy proposes to effect the Canopy Capital Reorganization (as defined herein) and, in connection therewith, each of CBG and Greenstar (each as defined herein) has executed a voting support agreement (the "**CBG Support Agreement**") dated as of the date hereof in favour of Canopy pursuant to which each has agreed to vote its Canopy Shares (as defined herein) in favour of the resolution approving the Canopy Capital Reorganization;

AND WHEREAS the Purchaser intends to enter into a Share Purchase Agreement (as defined herein) with a third-party investor party pursuant to which the investor will subscribe for Class A Shares (as defined in the Purchaser Operating Agreement (as defined herein));

AND WHEREAS subject to the exchange of all Canopy Shares held by CBG (as defined herein) and Greenstar (as defined herein) into the Exchangeable Canopy Shares (as defined herein), Canopy shall exercise the Canopy Call Option;

AND WHEREAS Canopy has determined that it will not exercise its rights under the Existing Arrangement to exercise the Floating Call Option;

AND WHEREAS the Purchaser proposes to acquire all of the issued and outstanding Company Floating Shares pursuant to the Arrangement (as defined herein), as provided in this Agreement;

AND WHEREAS the Company Board (as defined herein) and the Company Special Committee (as defined herein) have each unanimously determined that the Arrangement is fair to the Company Floating Shareholders (as defined herein) and that the Arrangement is in the best interests of the Company and the Company Board, following receipt of the unanimous recommendation of the Company Special Committee, has resolved, subject to the terms of this Agreement, to recommend that the Company Floating Shareholders vote in favour of the Resolution (as defined herein);

AND WHEREAS the Company, 11065220 Canada Inc., a wholly-owned subsidiary of the Company, and Canopy USA have entered into the Protection Agreement (as defined herein); and

NOW THEREFORE, in consideration of the premises and the covenants and agreements herein contained and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by each of the Parties, the Parties agree as follows:

Article 1
INTERPRETATION

Section 1.1 Defined Terms.

As used in this Agreement, the following terms have the following meanings:

"**Acceptable Confidentiality Agreement**" means a confidentiality agreement between the Company and a third party other than the Purchaser: (i) that is entered into in accordance with Section 5.1(6)(d) hereof; (ii) that contains confidentiality and standstill restrictions that are no less restrictive than those set out in the Confidentiality Agreement, including, without limitation, a standstill provision that only permits the third party to, either alone or jointly with others, make an Acquisition Proposal to the Company Board that is not publicly announced; and (iii) allows and does not preclude or limit the ability of the Company to disclose such agreement or information relating to such agreement or the negotiations with or information furnished to the other party thereto to Canopy or the Purchaser and which does not otherwise conflict with any of the terms of this Agreement (including restricting the Company from complying with Article 5 hereof).

"**Acquisition Proposal**" means, other than the transactions contemplated by this Agreement and other than any transaction involving the Company and/or one or more of its wholly-owned Subsidiaries, any: (a) offer, proposal or inquiry (written or oral) from any Person or group of Persons other than the Purchaser (or any affiliate of the Purchaser) after the date of this Agreement relating to: (i) any sale or disposition, direct or indirect, in a single transaction or a series of related transactions, of 20% or more of the issued and outstanding Company Floating Shares (or rights or interests in such voting or equity securities); (ii) any direct or indirect take-over bid, exchange offer, treasury issuance or other transaction that, if consummated, would result in such Person or group of Persons beneficially owning 20% or more of the Company Floating Shares (including securities convertible or exercisable or exchangeable for Company Floating Shares); (iii) any plan of arrangement, merger, amalgamation, consolidation, share exchange, business combination, reorganization, recapitalization, liquidation, dissolution, winding up or exclusive license involving the Company or any of its Subsidiaries (except that this clause (iii) shall in no way preclude or restrict the Company from incorporating a Subsidiary which may be party to a merger under which such newly incorporated Subsidiary will acquire a corporation or a limited liability company in exchange for the issue by the Company of Company Floating Shares) if such acquisitions are otherwise permitted hereunder; or (iv) any other similar transaction or series of transactions involving the Company or any of its Subsidiaries; (b) inquiry, expression or other indication of interest or offer to, or public announcement of or of an intention to do any of the foregoing; (c) modification or proposed modification of any such proposal, inquiry, expression or indication of interest, in each case excluding the Arrangement and the other transactions contemplated by this Agreement; or (d) any transaction or agreement which would reasonably be expected to materially impede or delay the completion of the Arrangement.

"**affiliate**" has the meaning specified in National Instrument 45-106 – *Prospectus Exemptions*.

"**Agreement**" means this arrangement agreement, as the same may be amended, supplemented or restated.

"**Alternate Consideration**" has the meaning specified in Section 2.13.

"**Amended Equity Incentive Plan**" means the Company's second amended and restated omnibus equity plan, last approved by the shareholders of the Company on September 16, 2020.

"**Arrangement**" means the arrangement under Section 288 of the BCBCA on the terms and subject to the conditions set out in the Plan of Arrangement.

"**Arrangement Regulatory Approvals**" means:

(a) the grant of the Interim Order and the Final Order; and

(b) all required approvals from the stock exchanges on which the Canopy Shares are listed, for the listing of the Consideration Shares and any Canopy Shares issuable upon the exercise or vesting, as applicable, of Replacement Options, Replacement RSUs and Replacement Warrants.

"**Authorization**" means, with respect to any Person, any order, permit, approval, consent, waiver, licence or similar authorization of any Governmental Entity having jurisdiction over the Person necessary to carry on its business as now being conducted.

"**BCBCA**" means the *Business Corporations Act* (British Columbia).

"**Board Recommendation**" has the meaning specified in Section 2.4(7)(d).

"**Business Day**" means any day of the year, other than a Saturday, Sunday or any day on which major banks are generally closed for business in Vancouver, British Columbia.

"**Canopy**" has the meaning specified in the preamble.

"**Canopy Call Option**" means the option of Canopy embedded in the special rights and restrictions of the Company Fixed Shares to acquire the issued and outstanding Company Fixed Shares on the basis of 0.3048 of a Canopy Share per Company Fixed Share (following the automatic conversion of the Company Fixed Multiple Shares) and subject to adjustment on the terms and conditions set forth in the Existing Plan of Arrangement.

"**Canopy Call Option Exercise Notice**" means a notice in writing, substantially in the form attached as Exhibit C to the Existing Plan of Arrangement, delivered by Canopy to the Company (with a copy to the Depositary) stating that Canopy is exercising the Canopy Call Option.

"**Canopy Capital Reorganization**" means the reorganization of Canopy's share capital to provide for: (i) the creation of an unlimited number of a new class of non-voting and non-participating exchangeable shares in the capital of Canopy (the "**Exchangeable Canopy Shares**"); and (ii) the restatement of the rights of the Canopy Shares to provide for a conversion feature whereby each Canopy Share may at any time, at the option of the holder, be converted into one Exchangeable Canopy Share.

"**Canopy Change of Control**" means any business consolidation, amalgamation, arrangement, merger, redemption, compulsory acquisition or similar transaction of or involving Canopy, or a sale or conveyance of all or substantially all of the assets of Canopy to any other body corporate, trust, partnership or other entity, but excluding, for greater certainty, any transactions involving Canopy and one or more of its Subsidiaries.

"**Canopy Material Adverse Effect**" means any change, event, occurrence, effect, state of facts or circumstance that, individually or in the aggregate with other such changes, events, occurrences, effects, state of facts or circumstances is or would reasonably be expected to be material and adverse to the business, results of operations, assets, capitalization, condition (financial or otherwise) or liabilities (contingent or otherwise) of Canopy and its Subsidiaries, taken as a whole, except any such change, event, occurrence, effect, state of facts or circumstance resulting from:

(a) any change in global, national or regional political conditions (including military action and the outbreak or escalation of war or acts of terrorism) or in general economic, business, regulatory, political or market conditions or in national or global financial, banking or capital markets;

(b) general conditions in the industry or markets in which Canopy or its Subsidiaries operate;

(c) any adoption, proposal, implementation or change in Law or any interpretation of Law by any Governmental Entity;

(d) any change in U.S. GAAP or interpretation of U.S. GAAP applicable to Canopy;

(e) any outbreak or escalation of hostilities or war or acts of terrorism or any natural disaster or general outbreaks of illness (including COVID-19);

(f) the failure by Canopy to meet any internal, third party or public projections, forecasts, guidance or estimates of revenues or earnings or other financial or operating metrics for any period (it being understood that the cause underlying any such failure may be taken into account in determining whether a Canopy Material Adverse Effect has occurred, to the extent not otherwise excepted by another clause of this definition);

(g) the announcement or disclosure of this Agreement, including any drop in the market price of the Canopy Shares and any loss or threatened loss of, or adverse change or threatened adverse change in, the relationship of Canopy or its Subsidiaries with Canopy's employees, customers, suppliers, partners and other Persons with which Canopy or any of its Subsidiaries has business relations;

(h) compliance with this Agreement and any action taken (or omitted to be taken) by Canopy that is consented to by the Company expressly in writing;

(i) any actions taken (or omitted to be taken) upon the written request of the Company; or

(j) any change in the market price or trading volume of any securities of Canopy (it being understood that the causes underlying such change in market price may be taken into account in determining whether a Canopy Material Adverse Effect has occurred),

provided, however, that with respect to clauses (a) through to and including (f), such matter does not have a materially disproportionate effect on Canopy and its Subsidiaries, taken as a whole, relative to other comparable companies and entities operating in the industry or markets in which Canopy and/or its Subsidiaries operate, and unless expressly provided in any particular section of this Agreement, references in certain sections of this Agreement to dollar amounts are not intended to be, and shall not be deemed to be, illustrative or interpretive for purposes of determining whether a "Canopy Material Adverse Effect" has occurred.

"**Canopy Public Disclosure Record**" means (a) each of the following documents, in the form they were filed with the SEC and including any amendments thereto filed with the SEC: (i) Canopy's Annual Report on Form 10-K for the fiscal year ended March 31, 2022; (ii) those portions of Canopy's 2021 Proxy Statement on Schedule 14A that are incorporated by reference into Canopy's Annual Report for the fiscal year ended March 31, 2021; and (iii) Canopy's Current Reports on Form 8-K (excluding any Current Reports or portions thereof that are furnished, and not filed, pursuant to Item 2.02 or Item 7.01 of Form 8-K, and any related exhibits) filed with the SEC after March 31, 2022; and (b) all documents and instruments filed by Canopy under Securities Laws on SEDAR from January 1, 2021, and prior to the date of this Agreement.

"**Canopy Shares**" means common shares in the capital of Canopy.

"**CBG**" means CBG Holdings LLC, a limited liability company existing under the Laws of the State of Delaware.

"**CBG Support Agreement**" has the meaning specified in the recitals hereof.

"**Change in Recommendation**" has the meaning specified in Section 7.2(1)(e)(i).

"**Circular**" means the notice of the Meeting and accompanying proxy statement, including all schedules, appendices and exhibits to, and information incorporated by reference in, such proxy statement, to be sent to the Company Floating Shareholders in connection with the Meeting, as amended, supplemented or otherwise modified from time to time in accordance with the terms of this Agreement.

"**Common Membership Units**" means the common membership units in the capital of High Street outstanding from time to time, other than common membership units held by Acreage Holdings America, Inc. and USCo2.

"**Company**" has the meaning specified in the recitals hereof.

"**Company Board**" means the board of directors of the Company as constituted from time to time.

"**Company Disclosure Letter**" means the disclosure letter dated the date of this Agreement and delivered by the Company to the Purchaser and Canopy with this Agreement.

"**Company Data Room**" means the electronic datasite described in Section 1.1 of the Company Disclosure Letter.

"**Company Fixed Multiple Shares**" means the Class F multiple voting shares of the Company, each entitling the holder thereof to 4,300 votes per share at shareholder meetings of the Company.

"**Company Fixed Options**" means the options to purchase Company Fixed Shares issued pursuant to and in accordance with the terms of the Amended Equity Incentive Plan.

"**Company Fixed Share Acquisition**" means the acquisition by Canopy of the issued and outstanding Company Fixed Shares following the exercise or deemed exercise of the Canopy Call Option, pursuant to and in accordance with the Existing Arrangement.

"**Company Fixed Share Units**" means the restricted share units, performance shares and performance units that may be settled by the Company in either cash or Company Fixed Shares issued pursuant to the Amended Equity Incentive Plan.

"**Company Fixed Shareholder**" means a registered or beneficial holder of one or more of the Company Fixed Shares and/or the Company Fixed Multiple Shares, as the context requires.

"**Company Fixed Shares**" means the Class E subordinate voting shares of the Company, each entitling the holder thereof to one vote per share at shareholder meetings of the Company.

"**Company Fixed Warrants**" means the warrants and the compensation options to purchase Company Fixed Shares issued by the Company.

"**Company Floating Optionholder**" means a holder of one or more Company Floating Options.

"**Company Floating Options**" means the options to purchase Company Floating Shares issued pursuant to and in accordance with the terms of the Amended Equity Incentive Plan.

"**Company Floating Securities**" means, collectively, Company Floating Shares, Company Floating Options, Company Floating Share Units and Company Floating Warrants.

"**Company Floating Securityholders**" means the Company Floating Shareholders, the Company Floating Optionholders, the Company Floating Share Unit Holders and the Company Floating Warrant Holders.

"**Company Floating Share Unit Holders**" means a holder of one or more Company Floating Share Units.

"**Company Floating Share Units**" means the restricted share units, performance shares and performance units that may be settled by the Company in either cash or Company Floating Shares issued pursuant to the Amended Equity Incentive Plan.

"**Company Floating Shareholder**" means a registered or beneficial holder of one or more of the Company Floating Shares, as the context requires.

"**Company Floating Shares**" means the Class D subordinate voting shares of the Company, each entitling the holder thereof to one vote per share at shareholder meetings of the Company.

"**Company Floating Warrant Holders**" means a holder of one or more Company Floating Warrants.

"**Company Floating Warrants**" means the warrants and the compensation options to purchase Company Floating Shares issued by the Company.

"**Company Material Adverse Effect**" means any change, event, occurrence, effect, state of facts or circumstance that, individually or in the aggregate with other such changes, events, occurrences, effects, state of facts or circumstances is or would reasonably be expected to be material and adverse to the business, results of operations, assets, capitalization, condition (financial or otherwise) or liabilities (contingent or otherwise) of the Company and its Subsidiaries, taken as a whole, except any such change, event, occurrence, effect, state of facts or circumstance resulting from:

(a) any change in global, national or regional political conditions (including military action and the outbreak or escalation of war or acts of terrorism) or in general economic, business, regulatory, political or market conditions or in national or global financial, banking or capital markets;

(b) general conditions in the industry or markets in which the Company or its Subsidiaries operate;

(c) any adoption, proposal, implementation or change in Law or any interpretation of Law by any Governmental Entity;

(d) any change in U.S. GAAP or interpretation of U.S. GAAP applicable to the Company;

(e) any outbreak or escalation of hostilities or war or acts of terrorism or any natural disaster or general outbreaks of illness (including COVID-19);

(f) the failure by the Company to meet any internal, third party or public projections, forecasts, guidance or estimates of revenues or earnings or other financial or operating metrics for any period (it being understood that the cause underlying any such failure may be taken into account in determining whether a Company Material Adverse Effect has occurred, to the extent not otherwise excepted by another clause of this definition);

(g) the announcement or disclosure of this Agreement, including any drop in the market price of the Company Fixed Shares or the Company Floating Shares and any loss or threatened loss of, or adverse change or threatened adverse change in, the relationship of the Company or its Subsidiaries with the Company's employees, customers, suppliers, partners and other Persons with which the Company or any of its Subsidiaries has business relations;

(h) compliance with this Agreement and any action taken (or omitted to be taken) by the Company that is consented to by Canopy expressly in writing;

(i) any actions taken (or omitted to be taken) upon the written request of Canopy; or

(j) any change in the market price or trading volume of any securities of the Company (it being understood that the causes underlying such change in market price may be taken into account in determining whether a Company Material Adverse Effect has occurred),

provided, however, that with respect to clauses (a) through to and including (f), such matter does not have a materially disproportionate effect on the Company and its Subsidiaries, taken as a whole, relative to other comparable companies and entities operating in the industry or markets in which the Company and/or its Subsidiaries operate, and unless expressly provided in any particular section of this Agreement, references in certain sections of this Agreement to dollar amounts are not intended to be, and shall not be deemed to be, illustrative or interpretive for purposes of determining whether a "Company Material Adverse Effect" has occurred.

"**Company Public Disclosure Record**" means (a) each of the following documents, in the form they were filed with the SEC and including any amendments thereto filed with the SEC: (i) the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2021; (ii) those portions of the Company's 2021 Proxy Statement on Schedule 14A that are incorporated by reference into the Company's Annual Report for the fiscal year ended December 31, 2021; and (iii) the Company's Current Reports on Form 8-K (excluding any Current Reports or portions thereof that are furnished, and not filed, pursuant to Item 2.02 or Item 7.01 of Form 8-K, and any related exhibits) filed with the SEC after December 31, 2021; and (b) all documents and instruments filed by the Company under Securities Laws on SEDAR from January 1, 2021, and prior to the date of this Agreement.

"**Company Special Committee**" means the special committee of independent members of the Company Board formed in connection with the proposal to effect the transactions contemplated by this Agreement.

"**Confidentiality Agreement**" means the confidentiality agreement dated as of March 19, 2019 between the Company and Canopy.

"**Consent Agreement**" means the Consent Agreement among CBG, Greenstar and Canopy dated as of the date hereof.

"**Consideration Shares**" has the meaning specified in Section 1.1 of the Plan of Arrangement.

"**Constating Documents**" means the notice of articles, articles, articles of incorporation, amalgamation, or continuation, as applicable, by-laws and all amendments to such articles or by-laws.

"**Contract**" means any legally binding agreement, commitment, engagement, contract, franchise, licence, obligation or undertaking (written or oral) to which a Party or any of its respective Subsidiaries is a party or by which it or any of its respective Subsidiaries is bound or affected or to which any of their respective properties or assets is subject.

"**Court**" means the Supreme Court of British Columbia.

"**CSE**" means Canadian Securities Exchange.

"**Depositary**" means Computershare Investor Services Inc., or any other depositary or trust company, bank or financial institution as the Purchaser and Canopy may appoint to act as depositary with the approval of the Company, acting reasonably, for the purpose of, among other things, exchanging certificates representing Company Floating Shares for Consideration Shares in connection with the Arrangement.

"**Dissent Rights**" means the rights of each Company Floating Shareholder to dissent in respect of the Resolution with respect to the Company Floating Shares held by such Company Floating Shareholder pursuant to and in the manner set forth in Section 238 of the BCBCA, as modified by the Interim Order and the Plan of Arrangement.

"**Dissenting Company Floating Shareholder**" means a registered holder of Company Floating Shares who has properly exercised its Dissent Rights in respect of the Resolution in accordance with Section 4.1 of the Plan of Arrangement and has not withdrawn or been deemed to have withdrawn such exercise of Dissent Rights and who is ultimately determined to be entitled to be paid the fair value of his, her or its Company Floating Shares.

"**EDGAR**" means the SEC's Electronic Data Gathering Analysis and Retrieval system.

"**Effective Date**" has the meaning specified in Section 1.1 of the Plan of Arrangement.

"**Effective Time**" has the meaning specified in Section 1.1 of the Plan of Arrangement.

"**Exchange Ratio**" has the meaning specified in Section 1.1 of the Plan of Arrangement.

"**Exchange Ratio Adjustment Event**" has the meaning specified in Section 2.12.

"**Exchangeable Canopy Shares**" has the meaning specified in the definition of "Canopy Capital Reorganization."

"**Exercise Outside Date**" means March 31, 2023 or such later date as may be agreed to in writing by the Parties.

"**Existing Agreement**" has the meaning specified in the recitals hereto.

"**Existing Arrangement**" means an arrangement under Section 288 of the BCBCA on the terms and subject to the conditions set out in the Existing Agreement, which became effective on September 23, 2020.

"**Existing Plan of Arrangement**" means the plan of arrangement set out in the Existing Agreement implemented on September 23, 2020 under Section 288 of the BCBCA involving the Company and Canopy.

"**Fairness Opinions**" means the opinions of each of the Financial Advisors to the effect that, as of the date of such opinion, and subject to the assumptions, limitations and qualifications set forth therein, the number of Consideration Shares per Company Floating Share to be received by the Company Floating Shareholders (other than the Purchaser**,** Canopy and/or their respective affiliates) pursuant to the Arrangement is fair, from a financial point of view, to the Company Floating Shareholders (other than the Purchaser**,** Canopy and/or their respective affiliates).

"**Final Order**" means the final order of the Court approving the Arrangement under Section 291 of the BCBCA, in a form acceptable to the Company, the Purchaser and Canopy, each acting reasonably, after a hearing upon the procedural and substantive fairness of the terms and conditions of the Arrangement, as such order may be amended by the Court (with the consent of the Company, the Purchaser and Canopy, each acting reasonably) at any time prior to the Effective Time or, if appealed, then, unless such appeal is withdrawn or denied, as affirmed or as amended (provided that any such amendment is acceptable to the Company, the Purchaser and Canopy, each acting reasonably) on appeal.

"**Financial Advisors**" means Canaccord Genuity Corp. and Eight Capital, the financial advisors to the Company in connection with the Arrangement.

"**Floating Call Option**" means the option of Canopy embedded in the special rights and restrictions of the Company Floating Shares to acquire each Company Floating Share, on the terms and conditions set forth in the Existing Plan of Arrangement.

"**Governmental Entity**" means (i) any international, multinational, national, federal, provincial, state, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitral body, commission, commissioner, board, bureau, ministry, agency or instrumentality, domestic or foreign, (ii) any subdivision or authority of any of the above, (iii) any quasi- governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing, or (iv) any stock exchange.

"**Greenstar**" means Greenstar Canada Investment Limited Partnership, a limited partnership existing under the Laws of the Province of British Columbia.

"**High Street**" means High Street Capital Partners, LLC.

"**High Street Holder**" means any holder of Common Membership Units or vested Profit Interests.

"**High Street Operating Agreement**" means the Third Amended and Restated Operating Agreement of High Street, d/b/a Acreage Holdings LLC, a Delaware limited liability company, dated November 14, 2018, by and among High Street and the members signatory thereto, as amended on May 10, 2019, June 27, 2019 and September 23, 2020, and as may be further amended, supplemented or restated from time to time.

"**High Street Units**" means Common Membership Units and Profit Interests.

"**Interim Order**" means the interim order of the Court, to be issued following the application therefor contemplated by Section 2.2, after being informed of the intention of the Parties to rely upon the exemption from registration under U.S. Securities Act provided by Section 3(a)(10) of the U.S. Securities Act with respect to the Issued Securities issued pursuant to the Arrangement in a form acceptable to the Company, the Purchaser and Canopy, each acting reasonably, providing for, among other things, the calling and holding of the Meeting, as such order may be amended by the Court with the consent of the Company, the Purchaser and Canopy, each acting reasonably.

"**Interim Period**" means the period commencing on the date of this Agreement and ending immediately prior to the Effective Time.

"**Issued Securities**" has the meaning specified in Section 1.1 of the Plan of Arrangement.

"**Key Subsidiaries**" means High Street, Acreage Holdings WC, Inc. and Acreage Holdings America, Inc.

"**Law**" means, with respect to any Person, any and all applicable law (statutory, common or otherwise), constitution, treaty, convention, ordinance, code, rule, regulation, order, injunction, judgment, decree, official guidance, ruling or other similar requirement, whether domestic or foreign, enacted, adopted, promulgated or applied by a Governmental Entity that is binding upon or applicable to such Person or its business, undertaking, property or securities, and to the extent that they have the force of law, policies, guidelines, notices and protocols of any Governmental Entity, as amended.

"**Locked-up Shareholders**" means all of the directors and certain senior officers of the Company that have executed a Voting Support Agreement.

"**material fact**" has the meaning specified in the *Securities Act* (Ontario).

"**Meeting**" means the special meeting of Company Floating Shareholders, including any adjournment or postponement of such special meeting in accordance with the terms of this Agreement, to be called and held in accordance with the Interim Order to consider the Resolution.

"**MI 61-101**" means Multilateral Instrument 61-101 - *Protection of Minority Shareholders in Special Transactions*.

"**Misrepresentation**" means an untrue statement of a material fact or an omission to state a material fact required or necessary to make the statements contained therein not misleading in light of the circumstances in which they are made.

"**Nasdaq**" means the Nasdaq Global Select Stock Market.

"**Outside Date**" means Acquisition Closing Outside Date (as such term is defined in the Existing Arrangement).

"**Parties**" means the Company, the Purchaser and Canopy and "**Party**" means any one of them.

"**Person**" includes any individual, partnership, association, body corporate, organization, trust, estate, trustee, executor, administrator, legal representative, government (including Governmental Entity), syndicate or other entity, whether or not having legal status.

"**Plan of Arrangement**" means the plan of arrangement, substantially in the form attached as Schedule A hereto, subject to any amendments or variations to such plan made in accordance with Section 9.1 hereof, or made at the direction of the Court in the Final Order with the prior written consent of the Company, Canopy and the Purchaser, each acting reasonably.

"**Pre-Acquisition Reorganization**" has the meaning specified in Section 4.3.

"**Profit Interests**" means the Class C-1 units in the capital of High Street outstanding from time to time.

"**Protection Agreement**" means the protection agreement entered into among Canopy, 11065220 Canada Inc. and the Purchaser dated as of the date hereof.

"**Purchaser**" has the meaning specified in the recitals hereof.

"**Purchaser Expense Reimbursement**" means $2 million.

"**Purchaser Operating Agreement**" means the operating agreement of the Purchaser dated September 1, 2022, between the Purchaser and the member named thereto, as may be amended, supplemented or restated from time to time.

"**Regulatory Approval**" means any consent, waiver, permit, exemption, review, order, decision or approval of, or any registration and filing with, any Governmental Entity, or the expiry, waiver or termination of any waiting period imposed by Law or a Governmental Entity, and with respect to such consent, waiver, permit, exemption, review, order, decision or approval of, or any registration and filing with, any Governmental Entity, it shall not have been withdrawn, terminated, lapsed, expired or is otherwise no longer effective.

"**Replacement Option**" has the meaning specified in Section 1.1 of the Plan of Arrangement.

"**Replacement RSU**" has the meaning specified in Section 1.1 of the Plan of Arrangement.

"**Replacement Warrant**" has the meaning specified in Section 1.1 of the Plan of Arrangement.

"**Representatives**" means a Party's directors, officers, employees and advisors.

"**Required Shareholder Approval**" has the meaning specified in Section 2.2(1)(b).

"**Resolution**" means the special resolution of the Company Floating Shareholders approving the Arrangement to be considered at the Meeting pursuant to the Interim Order, substantially in the form of Schedule B hereto, with such amendments or variations as the Court may direct in the Interim Order with the consent of the Company, the Purchaser and Canopy, each acting reasonably.

"**SEC**" means the United States Securities and Exchange Commission.

"**SEC Clearance**" means the earliest to occur of (a) confirmation from the SEC that the Circular is not to be reviewed by the SEC, (b) if the Company has not otherwise been informed by the SEC that the SEC intends to review the Circular, the eleventh calendar day immediately following the date of filing of the Circular with the SEC and (c) if the Company receives comments from the SEC with respect to the Circular, confirmation from the SEC that it has no further comments on the Circular.

"**Securities Authority**" means all applicable securities regulatory authorities, including the applicable securities commissions or similar regulatory authorities in each of the provinces of Canada.

"**Securities Laws**" means the *Securities Act* (Ontario) and any other applicable Canadian provincial securities Laws.

"**SEDAR**" means the System for Electronic Document Analysis and Retrieval.

"**Share Purchase Agreement**" means the share purchase agreement to be entered into between the Purchaser and a third-party investor party, pursuant to which the investor will subscribe for 1,000,000 Class A Shares (as defined in the Purchaser Operating Agreement) in the capital of the Purchaser.

"**Subsidiary**" has the meaning specified in National Instrument 45-106 – *Prospectus Exemptions* as in effect on the date of this Agreement and includes, for greater certainty, the Key Subsidiaries, whether or not the Key Subsidiaries meet the definition of "Subsidiary" specified in National Instrument 45-106 – *Prospectus Exemptions*.

"**Superior Proposal**" means any unsolicited bona fide written Acquisition Proposal from a third party or parties, made after the date of this Agreement, to acquire not less than all of the outstanding Company Floating Shares that:

(a) complies with Securities Laws and did not result from or involve a breach of this Agreement or any other agreement between the Person making the Acquisition Proposal and the Company;

(b) is reasonably capable of being completed without undue delay relative to the Arrangement, taking into account, all financial, legal, regulatory and other aspects of such proposal and the Person making such proposal;

(c) is not subject to any financing condition and in respect of which adequate arrangements have been made to ensure that the required consideration will be available to effect payment in full for all of the Company Floating Shares and the Termination Fee;

(d) is not from a "related party" (as defined under MI 61-101) of the Company or any "associate" (as defined under Securities Laws), affiliate or Person acting jointly and in concert with a "related party" of the Company;

(e) is not subject to any due diligence or access condition;

(f) in respect of which the Company Board determines in good faith (after receipt of advice from its outside legal counsel with respect to (x) below and financial advisors with respect to (y) below) that (x) failure to recommend such Acquisition Proposal to the Company Floating Shareholders would be inconsistent with its fiduciary duties and (y) which would, taking into account all of the terms and conditions of such Acquisition Proposal, if consummated in accordance with its terms (but not assuming away any risk of non-completion), result in a transaction more favourable to the Company Floating Shareholders, taken as a whole, from a financial point of view, than the Arrangement (after taking into account any adjustment to the terms and conditions of the Arrangement proposed by the Purchaser pursuant to Section 5.1(7)(f));

(g) the terms of such Acquisition Proposal provide that the Person making such Superior Proposal shall pay the Termination Fee to the Purchaser or otherwise provide the Company the cash equal to the Termination Fee, by way of either (x) a subscription for Company Floating Shares at a price per Company Floating Share no less than the trading price of the Company Floating Shares at the time of such payment, or (y) a non-recourse payment pursuant to which the Company shall have no repayment obligation, such amount to be advanced or provided on or before the date such Termination Fee becomes payable.

"**Superior Proposal Notice**" has the meaning specified in Section 5.1(7)(c).

"**Taxes**" means (i) any and all taxes, duties, fees, excises, premiums, assessments, imposts, levies and other charges or assessments of any kind whatsoever imposed by any Governmental Entity (excluding stock exchange fees and charges), whether computed on a separate, consolidated, unitary, combined or other basis, including those levied on, or measured by, or described with respect to, income, gross receipts, profits, gains, windfalls, capital, capital stock, production, recapture, transfer, land transfer, license, gift, occupation, wealth, environment, net worth, indebtedness, surplus, sales, goods and services, harmonized sales, use, value-added, excise, special assessment, stamp, withholding, business, franchising, real or personal property, health, employee health, payroll, workers' compensation, employment or unemployment, severance, social services, social security, education, utility, surtaxes, customs, import or export, and including all license and registration fees and all employment insurance, health insurance and government pension plan premiums or contributions; (ii) all interest, penalties, fines, additions to tax or other additional amounts imposed by any Governmental Entity on or in respect of amounts of the type described in clause (i) above or this clause (ii) any liability for the payment of any amounts of the type described in clauses (i) or (ii) as a result of being a member of an affiliated, consolidated, combined or unitary group for any period; and (iii) any liability for the payment of any amounts of the type described in clauses (i) or (ii) as a result of any express or implied obligation to indemnify any other Person or as a result of being a transferee or successor in interest to any party.

"**Termination Fee**" has the meaning specified in Section 9.2(1).

"**Termination Fee Event**" has the meaning specified in Section 9.2(2).

"**Triggering Event Date**" means the date federal laws in the United States are amended to permit the general cultivation, distribution and possession of marijuana (as defined in 21 U.S.C 802) or to remove the regulation of such activities from the federal laws of the United States.

"**Triggering Event Notice**" means a notice in writing, substantially in the form attached as Exhibit D to the Existing Plan of Arrangement, delivered by the Company to Canopy (with a copy to the Depositary) stating that the Triggering Event Date has occurred and specifying a Business Day (to be not less than 61 days and not more than 90 days following the date such Triggering Event Notice is delivered to Canopy) on which the closing of the Company Fixed Share Acquisition is to occur, subject to the satisfaction or waiver of the closing conditions set forth in the Existing Agreement.

"**TSX**" means the Toronto Stock Exchange.

"**United States**" and "**U.S.**" each mean the United States of America, its territories and possessions, any State of the United States and the District of Colombia.

"**USCo2**" means Acreage Holdings WC, Inc. a Subsidiary of the Company.

"**USCo2 Class B Holders**" means holders of USCo2 Class B Shares.

"**USCo2 Class B Shares**" means Class B non-voting common shares in the capital of USCo2 outstanding as of the date of this Agreement.

"**USCo2 Constating Documents**" means the constating documents of USCo2, as amended on November 6, 2018 and September 23, 2020, and as may be amended, supplemented or restated from time to time.

"**U.S. Exchange Act**" means the United States *Securities Exchange Act of 1934*, as amended, supplemented or restated from time to time and any successor to such statute, and the rules and regulations promulgated thereunder.

"**U.S. GAAP**" means generally accepted accounting principles in the United States for an entity that, in accordance with applicable corporate and securities Laws, prepares its financial statements in accordance with generally accepted accounting principles in the United States.

"**U.S. Securities Act**" means the United States *Securities Act of 1933*, as amended, supplemented or restated from time to time and any successor to such statute, and the rules and regulations promulgated thereunder.

"**Voting Support Agreements**" means, collectively, the voting support agreements dated the date hereof between the Purchaser, Canopy and each of the Locked-up Shareholders, substantially in the form attached as Schedule C hereto, setting forth the terms and conditions upon which the Locked-up Shareholders have agreed, among other things, to vote their Company Floating Shares in favour of the Arrangement.

Section 1.2 Certain Rules of Interpretation.

In this Agreement, unless otherwise specified:

(1) *Headings, etc.* The provision of a Table of Contents, the division of this Agreement into Articles and Sections and the insertion of headings are for convenient reference only and do not affect the construction or interpretation of this Agreement.

(2) *Currency*. All references to dollars or to "**$**" are references to United States dollars.

(3) *Gender and Number*. Any reference to gender includes all genders. Words importing the singular number only include the plural and vice versa.

(4) *Certain Phrases and References, etc*. The words "including", "includes" and "include" mean "including (or includes or include) without limitation," and "the aggregate of", "the total of", "the sum of", or a phrase of similar meaning means "the aggregate (or total or sum), without duplication, of." Unless stated otherwise, "Article", "Section", and "Schedule" followed by a number or letter mean and refer to the specified Article or Section of or Schedule to this Agreement. The term "Agreement" and any reference in this Agreement to this Agreement or any other agreement or document includes, and is a reference to, this Agreement or such other agreement or document as it may have been, or may from time to time be, amended, restated, replaced, supplemented or novated and includes all schedules to it.

(5) *Capitalized Terms*. All capitalized terms used in any Schedule have the meanings ascribed to them in this Agreement. Capitalized terms used but not defined in this Agreement have the meanings given to them in the Arrangement Agreement.

(6) *Accounting Terms*. All accounting terms are to be interpreted in accordance with U.S. GAAP and all determinations of an accounting nature required to be made shall be made in a manner consistent with U.S. GAAP.

(7) *Statutes*. Any reference to a statute refers to such statute and all rules and regulations made under it, as it or they may have been or may from time to time be amended or re-enacted, unless stated otherwise.

(8) *Computation of Time*. A period of time is to be computed as beginning on the day following the event that began the period and ending at 4:30 p.m. on the last day of the period, if the last day of the period is a Business Day, or at 4:30 p.m. on the next Business Day if the last day of the period is not a Business Day. If the date on which any action is required or permitted to be taken under this Agreement by a Person is not a Business Day such action shall be required or permitted to be taken on the next succeeding day which is a Business Day.

(9) *Time References*. References to time are to local time, Toronto, Ontario, unless otherwise indicated.

(10) *Subsidiaries*. To the extent any covenants or agreements herein relate, directly or indirectly, to a Subsidiary of a Party, each such provision shall be construed as a covenant by the Party to cause (to the fullest extent to which it is legally capable) such Subsidiary to perform the required action.

(11) *Knowledge*. Where any representation or warranty is expressly qualified by reference to the knowledge of the Company, it is deemed to refer to the knowledge of the Chief Executive Officer, Chief Financial Officer and General Counsel of the Company after due and diligent inquiry. Where any representation or warranty is expressly qualified by reference to the knowledge of Canopy, it is deemed to refer to the actual knowledge of the Chief Executive Officer, Chief Financial Officer and Chief Legal Officer of Canopy after due and diligent inquiry.

Section 1.3 Schedules.

The schedules attached to this Agreement form an integral part of this Agreement for all purposes of it.

Article 2
THE ARRANGEMENT

Section 2.1 The Arrangement and Effective Date.

(1) The Company, the Purchaser and Canopy agree that the Arrangement shall be implemented in accordance with, and subject to the terms and conditions of, this Agreement and the Plan of Arrangement. From and after the Effective Time, the Company, the Purchaser and Canopy shall each effect and carry out the steps, actions or transactions to be carried out by them pursuant to the Plan of Arrangement. The Effective Date shall occur on the date upon which the Company and the Purchaser agree in writing as the Effective Date, following the satisfaction or waiver (subject to applicable Laws) of the last of the conditions set forth in Article 6 (excluding conditions that by their terms cannot be satisfied until the Effective Date, but subject to the satisfaction or, when permitted, waiver of those conditions as of the Effective Date) or, in the absence of such agreement, three Business Days following the satisfaction or waiver (subject to applicable Laws) of the last of the conditions set forth in Article 6 (excluding conditions that by their terms cannot be satisfied until the Effective Date, but subject to the satisfaction or, when permitted, waiver of those conditions as of the Effective Date). The Arrangement shall be effective at the Effective Time on the Effective Date.

(2) The closing of the Arrangement will take place on the Effective Date remotely by electronic exchange of documents, or at such other time on the Effective Date or such other place as may be agreed to by the Parties.

Section 2.2 Interim Order.

(1) As soon as reasonably practicable after the Circular is submitted to the SEC for review the Company shall apply in a manner reasonably acceptable to the Purchaser and Canopy pursuant to Section 291(1)(b) of the BCBCA and, in cooperation with the Purchaser and Canopy, prepare, file and diligently pursue an application for the Interim Order, which must provide, among other things:

(a) for the class of persons to whom notice is to be provided in respect of the Arrangement and the Meeting (which shall be the Company Floating Shareholders) and for the manner in which such notice is to be provided;

(b) that the required level of approval (the "**Required Shareholder Approval**") for the Resolution shall be not less than (i) 66 2/3% of the votes cast on the Resolution by the Company Floating Shareholders present in person or represented by proxy and entitled to vote at the Meeting; and (ii) a simple majority of the votes cast on the Resolution by such Company Floating Shareholders, excluding the votes cast by "related parties" and "interested parties" as defined under MI 61-101;

(c) that the terms, restrictions and conditions of the Company's Constating Documents relating to the holding of a meeting of Company Floating Shareholders, including quorum requirements and all other matters, shall, unless varied by the Interim Order, apply in respect of the Meeting;

(d) for the grant of the Dissent Rights to Company Floating Shareholders in accordance with the BCBCA;

(e) for the notice requirements with respect to the presentation of the application to the Court for the Final Order;

(f) that the Meeting may be held in-person, virtually or in any other manner permitted by applicable Law and the Constating Documents of the Company;

(g) that the Meeting may be adjourned or postponed from time to time by the Company in accordance with the terms of this Agreement without the need for additional approval of the Court;

(h) confirmation of the record date for the purposes of determining the Company Floating Shareholders entitled to notice of and to vote at the Meeting in accordance with the Interim Order;

(i) that the record date for the Company Floating Shareholders entitled to notice of and to vote at the Meeting will not change in respect of any adjournment(s) of the Meeting, unless required by Securities Laws; and

(j) for such other matters as Canopy or the Company may reasonably require, subject to obtaining the prior consent of such other Party, such consent not to be unreasonably withheld or delayed.

(2) In seeking the Interim Order, the Company shall advise the Court that it is the intention of the Parties to rely upon the exemption from registration provided by Section 3(a)(10) of the U.S. Securities Act with respect to the issuance of all Issued Securities to be issued to the respective Company securityholders pursuant to the Arrangement based and conditioned on the Court's approval of the Arrangement and its determination that the Arrangement is fair and reasonable to the Company Floating Securityholders to whom Issued Securities will be issued pursuant to the Arrangement (such Company Floating Securities, the "**U.S. Subject Securities**"), following a hearing and after consideration of the substantive and procedural terms and conditions thereof.

Section 2.3 The Meeting.

The Company shall:

(a) duly take all lawful action to call, give notice of, convene and conduct the Meeting in accordance with the Interim Order, the Company's Constating Documents and applicable Law, including the policies of the CSE, and use commercially reasonable efforts to schedule the Meeting as promptly as practicable and, in any event but subject to compliance by the Purchaser and Canopy with their respective obligations in Section 2.4, on or before March 15, 2023 (or such later date as may be agreed to by the Parties in writing or required as a result of a delay by the Purchaser or Canopy in providing the information required pursuant to Section 2.4(8)) and not adjourn, postpone or cancel (or propose the adjournment, postponement or cancellation of) the Meeting without the prior written consent of the Purchaser or Canopy, except:

(i) in the case of an adjournment, as required for quorum purposes (in which case the Meeting shall be adjourned and not cancelled); or

(ii) as otherwise permitted under this Agreement.

(b) use commercially reasonable efforts to solicit proxies in favour of the approval of the Resolution and against any resolution submitted by any Person that is inconsistent with or seeks (without Canopy's consent) to hinder or delay the Arrangement and the completion of the transactions contemplated by this Agreement, including, at the Company's discretion or if so requested by Canopy, acting reasonably, and at Canopy's sole expense, using the services of dealers and proxy solicitation services, consulting with Canopy in the selection and retainer of any such proxy solicitation agent and reasonably considering Canopy's recommendation with respect to any such agent, and (i) permit the Purchaser and Canopy to assist and participate in all meetings (whether conducted telephonically or otherwise) with such proxy solicitation agent, (ii) provide Canopy with all information distributions or updates from the proxy solicitation agent, (iii) consult with, and consider any suggestions from, Canopy with regards to the proxy solicitation agent, and (iv) consult with Canopy and keep Canopy apprised, with respect to such solicitation and other actions;

(c) provide Canopy with copies of documents, or access to information regarding, the Meeting generated by any transfer agent, dealer or proxy solicitation services firm retained by the Company, as reasonably requested in writing from time to time by Canopy;

(d) consult with Canopy in fixing the record date for the Meeting and the date of the Meeting, give notice to the Purchaser and Canopy of the Meeting and allow the representatives and legal counsel of the Purchaser and Canopy to attend the Meeting;

(e) promptly advise Canopy, at such times as Canopy may reasonably request in writing and at least on a daily basis on each of the last ten Business Days prior to the date of the Meeting, as to the aggregate tally of the proxies received by the Company in respect of the Resolution;

(f) promptly advise Canopy of any written communication from any Person in opposition to the Arrangement, written notice of dissent, purported exercise or withdrawal of Dissent Rights, and provide Canopy with a reasonable opportunity to review and comment upon any written communications sent by or on behalf of the Company to any such Person and to participate in any discussions, negotiations or proceedings involving any such Person;

(g) not make any payment or settlement offer, or agree to any payment or settlement prior to the Effective Time with respect to any claims regarding the Arrangement or Dissent Rights without the prior written consent of Canopy;

(h) not change the record date for the Company Floating Shareholders entitled to vote at the Meeting in connection with any adjournment or postponement of the Meeting, unless required by Law or with the consent of Canopy; and

(i) at the reasonable written request of Canopy from time to time, provide Canopy with a list (in either written or electronic form) of (i) the registered Company Floating Shareholders, together with their addresses and respective holdings of Company Floating Shares, (ii) the names, addresses and holdings of all Persons on the registers of the Company having rights issued by the Company to acquire Company Floating Shares (including holders of Company Floating Options, Company Floating Warrants and Company Floating Share Units), and (iii) participants and book-based nominee registrants such as CDS & Co., and non-objecting beneficial owners of Company Floating Shares, together with their addresses and respective holdings of Company Floating Shares.

Section 2.4 The Circular.

(1) The Company shall promptly prepare and complete, in consultation with Canopy, the Circular together with any other documents required by applicable Law in connection with the Meeting and the Arrangement, and the Company shall as promptly as reasonably practicable after the date of this Agreement, but in any event no later than November 30, 2022, file the Circular with the SEC, and, as promptly as reasonably practicable, and in any event on or before the second Business Day after the later of (i) obtaining SEC Clearance of the Circular; and (ii) the date of the Interim Order, cause the Circular and such other documents to be filed and sent to each Company Floating Shareholder and other Person as required by the Interim Order and applicable Law.

(2) The Company shall ensure that the Circular complies in all material respects with the Interim Order, applicable Law and the rules and regulations promulgated by the SEC, does not contain any Misrepresentation (except with respect to: (i) any information with respect to the Purchaser or Canopy that is furnished in writing by or on behalf of the Purchaser or Canopy, as applicable, and is included in the Circular; and (ii) any information with respect to the Purchaser or Canopy that is required to be included in the Circular but is not furnished in writing for inclusion in the Circular by Canopy or the Purchaser following the written request for such information from Canopy or the Purchaser, as applicable) and provides the Company Floating Shareholders with sufficient information to permit them to form a reasoned judgment concerning the matters to be placed before them at the Meeting.

(3) The Company shall not be responsible for any information regarding the Purchaser or Canopy in the Circular provided in writing by the Purchaser or Canopy, as applicable, for inclusion therein, or information regarding the Purchaser or Canopy required to be included in the Circular but not furnished in writing for inclusion in the Circular by Canopy or the Purchaser following the written request for such information from Canopy or the Purchaser, as applicable. Canopy shall indemnify and save harmless each of the Company, the Company's Subsidiaries and their respective Representatives from and against any and all liabilities, losses, damages, claims, reasonable costs, reasonable expenses, interest awards, judgments and penalties suffered or incurred by any of them as a result of or arising from any Misrepresentation or alleged Misrepresentation: (i) contained in any such information regarding the Purchaser or Canopy, included in the Circular that was provided by the Purchaser or Canopy, as applicable, in writing specifically for inclusion therein, including as a result of any order made, or any inquiry, investigation or proceeding by any Governmental Entity; or (ii) constituted by the failure of the Purchaser or Canopy to furnish in writing for inclusion in the Circular information regarding the Purchaser or Canopy required to be included in the Circular following the written request for such information from Canopy or the Purchaser, as applicable; to the extent based on such Misrepresentation or any alleged Misrepresentation.

(4) The Company shall use commercially reasonable efforts to respond promptly to any comments of the SEC or its staff with respect to the Circular. The Company will advise Canopy promptly after it receives any request by the SEC for amendment of the Circular or comments thereon and responses thereto or any request by the SEC for additional information in connection with the Circular, and the Company agrees to permit the Purchaser, Canopy and their respective outside counsel, to participate in all meetings and conferences with the SEC.

(5) Prior to each of (i) filing the preliminary Circular with the SEC, (ii) responding to any comments of the SEC with respect to the Circular; and (iii) mailing the Circular (or any amendment or supplement thereto), the Company shall give the Purchaser, Canopy and their respective legal counsel a reasonable opportunity, and in any event not less than three Business Days (or two Business Days in respect of comments from the SEC), to review and comment on all drafts of the Circular and other related documents including submissions of the Company provided in response to any comments of the SEC with respect to the Circular, shall give reasonable consideration to any comments made by the Purchaser, Canopy and their respective counsel, and consider in good faith including in such document or response all comments reasonably and promptly proposed by the Purchaser or Canopy, as applicable, provided that any information describing the Purchaser, Canopy, the terms of the Arrangement and/or the Plan of Arrangement must be in a form and content satisfactory to Canopy, acting reasonably. The Company shall provide the Purchaser and Canopy with a final copy of the Circular prior to its mailing to the Company Floating Shareholders.

(6) To the extent required by applicable Law, the Company shall, in consultation with the Purchaser, Canopy and their respective counsel, promptly file or furnish with the applicable Securities Authorities, CSE and SEC, and disseminate to each Company Floating Shareholder and other Person as required by the Interim Order and applicable Law, any supplement or amendment to the Circular if any event will occur which requires such action at any time prior to the Meeting.

(7) Without limiting the generality of the foregoing, the Circular must include:

(a) a copy of the Fairness Opinions;

(b) a statement that the Company Special Committee and the Company Board have received the Fairness Opinions;

(c) a statement that the Company Special Committee has unanimously determined, after receiving legal and financial advice:

(i) that the Arrangement is fair to the Company Floating Shareholders;

(ii) that the Arrangement and the entering into of this Agreement is in the best interests of the Company; and

(iii) that the Company Special Committee recommends that the Company Floating Shareholders vote in favour of the Resolution and the rationale for that recommendation;

(d) a statement (the "**Board Recommendation**") that the Company Board has unanimously determined (with directors abstaining or recusing themselves as required by applicable Law), after receiving legal and financial advice:

(i) that the Arrangement is fair to the Company Floating Shareholders;

(ii) that the Arrangement and the entering into of this Agreement is in the best interests of the Company; and

(iii) that the Company Board (with directors abstaining or recusing themselves as required) recommends that the Company Floating Shareholders vote in favour of the Resolution and the rationale for that recommendation, and

(e) a statement that the Locked-up Shareholders have entered into Voting Support Agreements pursuant to which they have agreed, among other things, to vote all of their Company Floating Shares in favour of the Resolution and against any resolution submitted by any Company Floating Shareholder that is inconsistent therewith.

(8) The Purchaser and Canopy shall as soon as reasonably practicable after the date hereof, and in any event within 15 days of the date hereof, provide the Company with all information regarding the Purchaser, Canopy, their respective affiliates and the Canopy Shares, including any *pro forma* financial statements, as is required by applicable Law or is reasonably requested by the Company in writing for inclusion in the Circular or in any amendments or supplements to such Circular, or any other related documents. The Purchaser and Canopy shall ensure that such information does not include any Misrepresentation concerning the Purchaser, Canopy, their respective affiliates and the Canopy Shares. The Company, the Purchaser and Canopy shall use their reasonable best efforts to obtain any necessary consents from any of their respective auditors and any other advisors to the use of any financial, technical or other expert information required by Law to be included in the Circular, and to the identification in the Circular of each such advisor.

(9) Each Party shall promptly notify the other Parties if it becomes aware that the Circular contains a Misrepresentation, or otherwise requires an amendment or supplement pursuant to applicable Law. The Parties shall, in a manner consistent with this Section 2.4, cooperate in the preparation of any such amendment or supplement as required or agreed between the Parties to be appropriate, and the Company shall, in a manner provided in the Interim Order, promptly mail, file or otherwise publicly disseminate any such amendment or supplement to the Company Floating Shareholders and, if required by the Court or by applicable Law, file the same with the SEC or any other Governmental Entity as required.

(10) The Company shall promptly advise Canopy of any material communication (written or oral) received by the Company from the CSE, the SEC or any other Securities Authorities or Governmental Entity in connection with the Circular.

Section 2.5 Final Order.

Following approval of the Resolution at the Meeting, the Company shall take all steps necessary or desirable to submit the Arrangement to the Court and diligently pursue an application for the Final Order pursuant to Section 291 of the BCBCA, as soon as reasonably practicable, but in any event not later than three Business Days after the Resolution has received the Required Shareholder Approval at the Meeting. If at any time after the issuance of the Final Order and on or before the Effective Date, the Company is required by the terms of the Final Order or by Law to return to the Court with respect to the Final Order, it will only do so after prior notice to Canopy, and affording Canopy a reasonable opportunity to consult with the Company regarding the same.

Section 2.6 Court Proceedings.

The Purchaser and Canopy shall cooperate with and assist the Company in seeking the Interim Order and the Final Order, including by providing to the Company on a timely basis any information reasonably requested by the Company or required by applicable Law to be supplied by the Purchaser or Canopy in connection therewith as requested by the Company in writing. In connection with all Court proceedings relating to obtaining the Interim Order and the Final Order, the Company shall:

(a) diligently pursue, and cooperate with the Purchaser and Canopy in diligently pursuing, the Interim Order and the Final Order;

(b) provide legal counsel to the Purchaser and Canopy with a reasonable opportunity, and in any event not less than three Business Days, to review and comment upon drafts of all material to be filed with the Court in connection with the Arrangement, and give reasonable consideration to all such comments;

(c) provide Canopy on a timely basis with copies of any notice of appearance, evidence or other documents served on the Company or its legal counsel in respect of the application for the Interim Order or the Final Order or any appeal from them, and any notice, written or oral, indicating the intention of any Person to appeal, or oppose the granting of, the Interim Order or the Final Order;

(d) ensure that all material filed with the Court in connection with the Arrangement is consistent with this Agreement and the Plan of Arrangement;

(e) not file any material with the Court in connection with the Arrangement or serve any such material, or agree to modify or amend any material so filed or served, except as contemplated by this Agreement or with the prior written consent of Canopy, such consent not to be unreasonably withheld, conditioned or delayed, provided that Canopy shall not be required to agree or consent to any increase in the consideration or other modification or amendment to such filed or served materials that expands or increases the obligations of the Purchaser or Canopy, or diminishes or limits the rights of the Purchaser or Canopy, set forth in any such filed or served materials or under this Agreement;

(f) oppose any proposal from any Person that the Final Order contain any provision inconsistent with this Agreement, and if required by the terms of the Final Order or by Law to return to Court with respect to the Final Order do so only after notice to Canopy, and affording Canopy an opportunity to consult regarding same which is reasonable in the circumstances; and

(g) not object to legal counsel to the Purchaser or Canopy making such submissions on the hearing of the motion for the Interim Order and the application for the Final Order as such counsel considers appropriate, provided that the Purchaser or Canopy, as applicable, advises the Company of the nature of any such submissions prior to the hearing and such submissions are consistent with this Agreement and the Plan of Arrangement.

Section 2.7 Other Securities.

The Parties acknowledge and agree that all Company Floating Options, Company Floating Share Units and Company Floating Warrants that are not exercised, whether conditionally or otherwise, prior to the Effective Time and that remain outstanding immediately prior to the Effective Time shall be treated in accordance with the provisions of the Plan of Arrangement and the Company, the Purchaser and Canopy shall take all such reasonable steps as may be necessary or desirable to give effect to the foregoing.

Section 2.8 Delivery of Consideration Shares by Canopy.

Canopy will, following receipt by the Depositary of a Canopy Call Option Exercise Notice or a Triggering Event Notice, as the case may be, and prior to the Effective Date, (i) deliver to the Depositary in escrow (the terms of such escrow to be satisfactory to the Parties, each acting reasonably) that number of Consideration Shares that holders of Company Floating Shares are entitled to receive under the Plan of Arrangement; (ii) reserve and authorize for issuance such number of additional Canopy Shares as shall be necessary to issue to High Street Holders and USCo2 Class B Holders upon the exchange or redemption of their High Street Units and USCo2 Class B Shares, respectively, in accordance with the terms thereof; and (iii) reserve and authorize for issuance such number of additional Canopy Shares as shall be necessary to issue to holders of Replacement Options, Replacement RSUs and Replacement Warrants issued by the Company or High Street upon exercise, exchange or conversion of any such Company Floating Securities.

Section 2.9 Dissenting Company Floating Shareholders.

The Company will give Canopy prompt notice of receipt of any written notice of any dissent or purported exercise by any Company Floating Shareholder of Dissent Rights, any withdrawal of such a notice, and any other instruments served pursuant to Dissent Rights and received by the Company. The Company shall not make any payment or settlement offer, or agree to any such settlement, or conduct any negotiations prior to the Effective Time with respect to any such dissent, notice or instrument unless Canopy, acting reasonably, shall have given written consent.

Section 2.10 Withholding Taxes.

Subject to compliance with Section 5.3(b) of the Plan of Arrangement, the Depositary, the Purchaser, Canopy and the Company shall be entitled to deduct and withhold from any consideration payable or otherwise deliverable to any Company Floating Securityholder such amounts as the Purchaser, Canopy, the Depositary or the Company (as applicable) determines, acting reasonably, are required to be deducted and withheld therefrom under any provision of applicable Laws in respect of Taxes. To the extent that such amounts are so deducted, withheld and remitted to the appropriate Governmental Entity, such amounts shall be treated for all purposes under this Agreement as having been paid to the Person to whom such amounts would otherwise have been paid. To the extent necessary, such deductions and withholdings may be effected by selling any Consideration Shares (or, to the extent applicable, any Alternate Consideration) to which any such Person may otherwise be entitled under the Plan of Arrangement, and any amount remaining following the sale, deduction and remittance shall be paid to the Person entitled thereto as soon as reasonably practicable.

Section 2.11 U.S. Securities Law Matters.

The Parties agree that the Arrangement will be carried out with the intention that, assuming the Final Order is granted by the Court, all Issued Securities will be issued by Canopy in reliance on the exemption from the registration requirements of the U.S. Securities Act provided by Section 3(a)(10) thereof and pursuant to exemptions from applicable securities Laws of any states of the United States. In order to ensure the availability of the exemption under Section 3(a)(10) of the U.S. Securities Act and to facilitate Canopy's compliance with other U.S. securities Laws, the Parties agree that the Arrangement will be carried out on the following basis:

(a) the Arrangement will be subject to the approval of the Court;

(b) pursuant to Section 2.2(2), prior to the issuance of the Interim Order, the Court will be advised as to the intention of the Parties to rely on the exemption provided by Section 3(a)(10) of the U.S. Securities Act with respect to the issuance of all Issued Securities pursuant to the Arrangement based on the Court's approval of the Arrangement;

(c) prior to the issuance of the Interim Order, the Company will file with the Court a copy of the proposed text of the Circular together with any other documents required by applicable Law in connection with the Meeting;

(d) the Court will be requested to satisfy itself as to the substantive and procedural fairness of the Arrangement to the holders of U.S. Subject Securities;

(e) the Company will ensure that each Company Floating Shareholder and any other Person entitled to receive Issued Securities pursuant to the Arrangement will be given adequate notice advising them of their right to attend the hearing of the Court to give approval of the Arrangement and providing them with sufficient information necessary for them to exercise that right;

(f) each Person entitled to receive Issued Securities pursuant to the Arrangement will be advised in the Circular that such Issued Securities issued pursuant to the Arrangement have not been and will not be registered under the U.S. Securities Act and will be issued by Canopy in reliance on the exemption provided by Section 3(a)(10) of the U.S. Securities Act and pursuant to exemptions under applicable securities Laws of any state of the United States, and shall be without trading restrictions under the U.S. Securities Act (other than those that would apply under the U.S. Securities Act in certain circumstances to Persons who are, or have been within 90 days prior to the Effective Time, affiliates (as defined by Rule 144 under the U.S. Securities Act) of Canopy;

(g) the Final Order approving the terms and conditions of the Arrangement that is obtained from the Court will expressly state that the Arrangement is approved by the Court as fair and reasonable to all Persons entitled to receive Issued Securities pursuant to the Arrangement;

(h) the Interim Order approving the Meeting will specify that each Person entitled to receive Issued Securities pursuant to the Arrangement will have the right to appear before the Court at the hearing of the Court to give approval of the Arrangement so long as they enter an appearance within a reasonable time;

(i) holders of Company Floating Options entitled to receive Replacement Options, holders of Company Floating Warrants entitled to receive Replacement Warrants and holders of Company Floating Share Units entitled to receive Replacement RSUs pursuant to the Arrangement will be advised that the Replacement Options, the Replacement Warrants and the Replacement RSUs, issued pursuant to the Arrangement have not been and will not be registered under the U.S. Securities Act and will be issued and exchanged by Canopy in reliance on the exemption provided under Section 3(a)(10) of the U.S. Securities Act, but that such exemption does not exempt the issuance of securities upon the exercise of such Replacement Options, Replacement Warrants and the vesting of Replacement RSUs; therefore, the Canopy Shares issuable upon exercise of the Replacement Options or the Replacement Warrants and the vesting of the Replacement RSUs cannot be issued in the U.S. or to a Person in the U.S. in reliance on the exemption under Section 3(a)(10) of the U.S. Securities Act and the Replacement Options, the Replacement Warrants and the Replacement RSUs may only be exercised and the underlying Canopy Shares issued pursuant to an effective registration statement under the U.S Securities Act or a then-available exemption from the registration requirements of the U.S. Securities Act and applicable state securities Laws, if any;

(j) each holder of U.S. Subject Securities will be advised that with respect to Issued Securities issued to Persons who are, or have been within 90 days prior to the Effective Time, affiliates (as defined by Rule 144 under the U.S. Securities Act) of Canopy, such securities will be subject to restrictions on resale under U.S. securities Laws, including Rule 144 under the U.S. Securities Act;

(k) the Court will hold a hearing before approving the fairness of the terms and conditions of the Arrangement and issuing the Final Order; and

(l) the Company shall request that the Final Order shall include a statement to substantially the following effect:

"This Order will serve as a basis of a claim to an exemption, pursuant to Section 3(a)(10) of the United States *Securities Act of 1933*, as amended, from the registration requirements otherwise imposed by that Act, regarding the offer and sale of securities of Canopy pursuant to the Plan of Arrangement."

Section 2.12 Exchange Ratio Adjustment Event.

Notwithstanding any restriction or any other matter in this Agreement to the contrary, if, between the date of this Agreement and the Effective Time, the issued and outstanding Canopy Shares shall have been changed into a different number of shares by reason of any reclassification, split, consolidation, stock dividend or distribution upon the issued and outstanding Canopy Shares, or Canopy shall make any rights offering to the holders of the issued and outstanding Canopy Shares, or similar event (each, an "**Exchange Ratio Adjustment Event**"), then the Exchange Ratio specified in the Plan of Arrangement shall be adjusted in such a manner and to such an extent so as to ensure that, under the Arrangement, Company Floating Shareholders receive the same economic proportionate ownership interest in Canopy following such Exchange Ratio Adjustment Event as they would otherwise have received under the Arrangement had such Exchange Ratio Adjustment Event not occurred, and the number of Canopy Shares to be issued to Company Floating Shareholders pursuant to the Arrangement shall be adjusted accordingly. For the purposes of this Section 2.12 the term "Canopy Shares" shall, following a Canopy Change of Control, be deemed to include any securities that are included in any Alternate Consideration.

Section 2.13 Canopy Change of Control Adjustment.

(1) If a Canopy Change of Control occurs prior to the Effective Date, the Company shall, as of the effective time of such Canopy Change of Control, cause the High Street Operating Agreement and USCo2 Constating Documents to be amended so that, instead of receiving Canopy Shares (or any Alternate Consideration that a Company Floating Shareholder is otherwise entitled to receive pursuant to this Section 2.13 as a result of a prior Canopy Change of Control) in exchange for Company Floating Shares in accordance with the Plan of Arrangement, each Company Floating Shareholder shall instead be entitled to receive on the Effective Date, and shall accept, the number of shares or other securities or property (including cash) that such Company Floating Shareholder would have been entitled to receive on such Canopy Change of Control (the "**Alternate Consideration**"), if, at the effective time of such Canopy Change of Control, the Company Floating Shareholder had been the registered holder of that number of Canopy Shares which is equal to the number of Canopy Shares which it would otherwise have been entitled to receive in exchange for its Company Floating Shares pursuant to the Arrangement if the Effective Date and the steps referred to in Section 3.2 of the Plan of Arrangement had been completed effective immediately prior to the effective time of the Canopy Change of Control.

(2) If, in connection with a Canopy Change of Control, a holder of a Canopy Share may elect a form of consideration (including, without limitation, shares, other securities, cash or other property) from multiple options made available to holders of Canopy Shares, then for purposes of this Section 2.13 (including, for the avoidance of doubt, the definition of "Alternate Consideration") all Company Floating Shareholders shall be deemed to have elected to receive an equal percentage of each of the different types of consideration offered.

(3) For the purposes of this Section 2.13, the term "Canopy Shares" shall, following the occurrence of a Canopy Change of Control, be deemed to include any securities that are included in any Alternate Consideration. For the avoidance of doubt, any adjustments pursuant to this Section 2.13 shall apply sequentially to each Canopy Change of Control that occurs during the Interim Period.

(4) Upon the occurrence of each adjustment pursuant to this Section 2.13, Canopy shall promptly compute such adjustment in accordance with the terms hereof and provide the Depositary (with a copy to the Company) with a certificate setting forth such adjustment, including in detail the facts upon which such adjustment is based, and setting forth the Alternate Consideration that a Company Floating Shareholder will be entitled to receive for their Company Floating Shares pursuant to the Plan of Arrangement. The Company shall, upon the written request at any time of any Company Floating Shareholder, furnish or cause to be furnished to such Company Floating Shareholder a copy of such certificate.

Article 3
REPRESENTATIONS AND WARRANTIES

Section 3.1 Representations and Warranties of the Company.

The Company represents and warrants to and in favour of the Purchaser and Canopy as follows and acknowledges that the Purchaser and Canopy are relying upon such representations and warranties in entering into this Agreement:

(a) Organization and Qualification. The Company is a company duly incorporated and validly existing under the applicable Laws of its jurisdiction of incorporation, continuance or creation and has all necessary corporate power and authority to own its property and assets as now owned and to carry on its business as it is now being conducted. The Company is duly qualified to do business and is in good standing in each jurisdiction in which the character of its properties, owned, leased, licensed or otherwise held, or the nature of its activities, makes such qualification necessary. No proceedings have been taken, instituted or are pending for the dissolution, winding-up or liquidation of the Company or any of its Subsidiaries, and no Company Board approvals have been given to commence any such proceedings.

(b) Authority Relative to this Agreement. The Company has all necessary corporate power, authority and capacity to enter into this Agreement and all other agreements and instruments to be executed by the Company as contemplated by this Agreement and (subject to obtaining the Required Shareholder Approval, the Interim Order, the Final Order and the Regulatory Approvals in the manner contemplated herein) to perform its obligations hereunder and under such agreements and instruments. The execution and delivery of this Agreement by the Company and the performance by the Company of its obligations under this Agreement have been duly authorized by the Company Board and, except for obtaining the Required Shareholder Approval, the approval of the CSE in respect of the Arrangement, the Interim Order and the Final Order in the manner contemplated herein, no other corporate proceedings on its part are necessary to authorize this Agreement or the Arrangement, other than, with respect to the Circular and other matters relating thereto and the approval of the Company Board. This Agreement has been duly executed and delivered by the Company, and constitutes a legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, subject to the qualification that such enforceability may be limited by bankruptcy, insolvency, reorganization or other laws of general application relating to or affecting rights of creditors and that equitable remedies, including specific performance, are within the discretion of a court.

(c) No Violation. Neither the authorization, execution and delivery of this Agreement by the Company nor the completion of the transactions contemplated by this Agreement or the Arrangement, nor the performance of its obligations hereunder or thereunder, nor compliance by the Company with any of the provisions hereof or thereof will result in a violation or breach of, constitute a default (or an event which, with notice or lapse of time or both, would become a default), require any consent or approval to be obtained or notice to be given under, or give rise to any third party right of termination, cancellation, suspension, acceleration, penalty or payment obligation or right to purchase or sale under, any provision of:

(i) its Constating Documents

(ii) any Authorization or Contract to which the Company is a party or to which it or any of its properties or assets are bound; or

(iii) any Laws, regulation, order, judgment or decree applicable to the Company or any of its Subsidiaries or any of their respective properties or assets;

except for such breaches, defaults, consents, terminations, cancellations, suspensions, accelerations, penalties, payment obligations or rights which would not individually or in the aggregate have a Company Material Adverse Effect.

(d) Governmental Approvals. The execution, delivery and performance by the Company of its obligations pursuant to this Agreement and the consummation by the Company of the Arrangement requires no consent, waiver or approval or any action by or in respect of, or filing with, or notification to, any Governmental Entity other than: (i) as contemplated in this Agreement; (ii) the Interim Order and any approvals required by the Interim Order; (iii) the Final Order; (iv) compliance with any applicable Securities Laws, the U.S. Securities Act and the U.S. Exchange Act and stock exchange rules and regulations; and (v) any actions, filings or notifications the absence of which would not materially delay or prevent the completion of the Arrangement or reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect.

(e) Capitalization.

(i) The authorized share structure of the Company consists of an unlimited number of Company Fixed Shares, an unlimited number of Company Floating Shares and 117,600 Company Fixed Multiple Shares. As of October 2**1**, 2022, there were issued and outstanding: (i) 79,046,738 Company Fixed Shares; (ii) 34,114,596 Company Floating Shares; and (iii) 117,600 Company Fixed Multiple Shares.

(ii) As of October 21, 2022, there were an aggregate of up to: (A) 7,336,549 Company Fixed Shares issuable upon the exercise of outstanding Company Fixed Options; (B) 2,303,466 Company Floating Shares issuable upon the exercise of outstanding Company Floating Options; (C) 5,816,561 Company Fixed Shares issuable upon the exercise of outstanding Company Fixed Warrants; (D) 2,523,220 Company Floating Shares issuable upon the exercise of outstanding Company Floating Warrants; (E) 6,528,823 Company Fixed Shares issuable upon the vesting of outstanding Company Fixed Share Units; (F) 505,459 Company Floating Shares issuable upon the vesting of outstanding Company Floating Share Units; (G) 15,672,290 Company Fixed Shares reserved for issuance upon the redemption or exchange, as applicable of the Common Membership Units; (H) 6,716,695 Company Floating Shares reserved for issuance upon the redemption or exchange, as applicable of the Common Membership Units; (I) 217,144 Company Fixed Shares reserved for issuance upon the redemption or exchange, as applicable of the USCo2 Class B Shares; and (J) 93,062 Company Floating Shares reserved for issuance upon the redemption or exchange, as applicable of the USCo2 Class B Shares (such shares collectively, the "**Reserved Shares**").

(iii) Except as disclosed in the Company Disclosure Letter, other than the Company Fixed Options, Company Floating Options, Company Fixed Warrants, Company Floating Warrants, Company Fixed Share Units, Company Floating Share Units, Common Membership Units, Profit Interests, and USCo2 Class B Shares referred to immediately above (the "**Company Outstanding Convertible Securities**"), there are no securities, options, warrants, stock appreciation rights, restricted stock units, conversion privileges or other rights, agreements, arrangements or commitments (pre-emptive, contingent or otherwise) of any character whatsoever to which the Company or any of its Subsidiaries is a party or by which any of the Company or its Subsidiaries is bound, obligating or which may obligate the Company or any of its Subsidiaries to issue, grant, deliver, extend, or enter into any shares of the Company or its Subsidiaries whatsoever.

(iv) All outstanding Company Floating Shares have been duly authorized and validly issued, are fully paid and non-assessable, and all Company Floating Shares and Company Fixed Shares issuable upon the conversion or exercise, as applicable, of the Company Outstanding Convertible Securities in accordance with their respective terms were duly authorized and, upon issuance, were or will be validly issued as fully paid and non- assessable, and are not and will not be subject to, or issued in violation of, any pre-emptive rights. All securities of the Company have been issued in compliance with all applicable Laws and Securities Laws.

(v) Apart from the outstanding Company Floating Shares, Company Fixed Shares and Company Fixed Multiple Shares, there are no other securities of the Company or of any of its Subsidiaries outstanding which have the right to vote generally, and apart from the Company Outstanding Convertible Securities there are no other securities of the Company or any of its Subsidiaries that are convertible into, exercisable to acquire or exchangeable for securities having the right to vote generally) with the holders of the outstanding Company Floating Shares, Company Fixed Shares and Company Fixed Multiple Shares on any matter. There are no outstanding contractual or other obligations of the Company or any Subsidiary which are not securities of the Company or its Subsidiaries to repurchase, redeem or otherwise acquire any of its securities or with respect to the voting or disposition of any outstanding securities of any of its Subsidiaries. There are no outstanding bonds, debentures or other evidences of indebtedness of the Company or any of its Subsidiaries having the right to vote with the holders of the outstanding Company Floating Shares, Company Fixed Shares and Company Fixed Multiple Shares on any matters.

(f) Company Public Disclosure Record. All documents and instruments comprising the Company Public Disclosure Record have been filed or furnished, as applicable, on a timely basis, with the applicable Securities Authorities and/or the SEC pursuant to Securities Laws and the U.S. Securities Act, as applicable and the rules and policies of the CSE, except where failure to do so would not have any Company Material Adverse Effect. Each of the documents and instruments comprising the Company Public Disclosure Record, at the time of its filing or being furnished, complied in all material respects with the applicable requirements of Securities Laws and the U.S. Securities Act, as applicable, and the rules and policies of the CSE. As of their respective dates (or, if amended prior to the date hereof, as of the date of such amendment), the documents and instruments constituting the Company Public Disclosure Record did not contain any Misrepresentation. Except as disclosed in the Company Disclosure Letter, to the knowledge of the Company, the Company Public Disclosure Record (other than confidential treatment requests) is not the subject of ongoing review, comment or investigation by any Securities Authority, the SEC or the CSE. The Company has not filed any confidential material change report or equivalent which at the date of this Agreement remains confidential.

(g) No Disputes. As of October 24, 2022, there is no Dispute threatened or pending to challenge or enjoin the Arrangement and no governmental or regulatory authority has threatened or instituted or commenced any Dispute with respect to the matters contemplated by this Agreement or taken any actions or enacted any law, order, rule or regulation (including a final order of a court of competent jurisdiction) that has the effect of making the Arrangement illegal or otherwise preventing or prohibiting the consummation of the Arrangement. As of October 24, 2022, other than as disclosed by the Company pursuant to securities Laws on SEDAR or EDGAR, there is no investigation, dispute, or litigation commenced that would or be expected to have a Company Material Adverse Effect.

(h) Fairness Opinions and Directors' Approvals. As of the date hereof:

(i) each of the Financial Advisors has delivered an oral opinion to the Company, Special Committee and the Company Board, as applicable, to the effect that as of the date thereof, subject to the assumptions and limitations set out therein, the consideration to be received by the Company Floating Shareholders under the Arrangement is fair from a financial point of view to the Company Floating Shareholders other than the Purchaser, Canopy and/or their respective affiliates; and

(ii) the Company has been authorized by each Financial Advisor to include its Fairness Opinion and references thereto and a summary thereof in the Circular; and the Company Board has unanimously (with directors abstaining or recusing themselves as required by applicable Law) (A) determined that the Arrangement is in the best interests of the Company and is fair to the Company Floating Shareholders, (B) resolved to recommend to the Company Floating Shareholders that they vote in favour of the Resolution, and (C) approved: (i) the Arrangement pursuant to the Plan of Arrangement; and (ii) the execution and performance of this Agreement.

Section 3.2 Representations and Warranties of the Purchaser.

The Purchaser represents and warrants to and in favour of the Company as follows and acknowledges that the Company is relying upon such representations and warranties in entering into this Agreement:

(a) Organization and Qualification. The Purchaser is a limited liability company duly formed and validly existing under the applicable Laws of its jurisdiction of incorporation, continuance or creation and has all necessary power and authority to own its property and assets as now owned and to carry on its business as it is now being conducted. The Purchaser is duly qualified to do business and is in good standing in each jurisdiction in which the character of its properties, owned, leased, licensed or otherwise held, or the nature of its activities, makes such qualification necessary. No proceedings have been taken, instituted or are pending for the dissolution, winding-up or liquidation of the Purchaser and no manager approvals have been given to commence any such proceedings. The Purchaser is treated as corporation for U.S. federal income tax purposes.

(b) Capitalization.

(i) The membership interests of the Purchaser are represented by shares designated as "class A shares", "class B shares" and "exchangeable shares". The authorized capital of the Purchaser consists of: (i) an unlimited number of class A shares, none of which are issued and outstanding as of October 23, 2022; (ii) an unlimited number of class B shares, 1 of which is issued and outstanding as of October 23, 2022 and held by EB Transaction Corp., a Subsidiary of Canopy; and (iii) an unlimited number of exchangeable shares, none of which are issued and outstanding as of October 23, 2022.

(ii) As of October 23, 2022, there are no securities, options, warrants, stock appreciation rights, restricted stock units, conversion privileges or other rights, agreements, arrangements or commitments (pre-emptive, contingent or otherwise) of any character whatsoever to which the Purchaser is a party or by which any of the Purchaser may be bound, obligating or which may obligate the Purchaser to issue, grant, deliver, extend, or enter into any such security, option, warrant, stock appreciation right, restricted stock unit, conversion privilege or other right, agreement, arrangement or commitment.

(c) Authority Relative to this Agreement and Protection Agreement. The Purchaser has all necessary power, authority and capacity to enter into this Agreement, the Protection Agreement and all other agreements and instruments to be executed by the Purchaser as contemplated by this Agreement and the Protection Agreement, and, subject to obtaining the Interim Order, the Final Order and the Regulatory Approvals, to perform its obligations hereunder and under such agreements and instruments contemplated hereunder (including pursuant to the Plan of Arrangement) and thereunder. The execution and delivery of this Agreement and the Protection Agreement by the Purchaser and the performance by the Purchaser of its obligations under this Agreement and the Protection Agreement have been duly authorized by the managers of the Purchaser and no other proceedings on its part are necessary to authorize this Agreement, except for obtaining the Interim Order, the Final Order and the Regulatory Approvals, or the Protection Agreement. Each of this Agreement and the Protection Agreement has been duly executed and delivered by the Purchaser, and constitutes a legal, valid and binding obligation of the Purchaser, enforceable against the Purchaser in accordance with its terms, subject to the qualification that such enforceability may be limited by bankruptcy, insolvency, reorganization or other laws of general application relating to or affecting rights of creditors and that equitable remedies, including specific performance, are within the discretion of a court.

(d) No Violation. Neither the authorization, execution and delivery of this Agreement, the Share Purchase Agreement or the Protection Agreement by the Purchaser nor the completion of the transactions contemplated by this Agreement, the Arrangement, the Share Purchase Agreement, or the Protection Agreement, nor the performance of its obligations hereunder or thereunder, nor compliance by the Purchaser with any of the provisions hereof or thereof will result in a violation or breach of, constitute a default (or an event which, with notice or lapse of time or both, would become a default), require any consent or approval to be obtained or notice to be given under, or give rise to any third party right of termination, cancellation, suspension, acceleration, penalty or payment obligation or right to purchase or sale under, any provision of:

(i) its organizational or governing documents, including the Purchaser Operating Agreement;

(ii) any Authorization or Contract to which the Purchaser is a party or to which it or any of its properties or assets are bound; or

(iii) any Laws, regulation, order, judgment or decree applicable to the Purchaser or any of its Subsidiaries or any of their respective properties or assets;

except for such breaches, defaults, consents, terminations, cancellations, suspensions, accelerations, penalties, payment obligations or rights which would not individually or in the aggregate have a Canopy Material Adverse Effect.

(e) Governmental Approvals. The execution, delivery and performance by the Purchaser of its obligations pursuant to this Agreement and the consummation by the Purchaser of the Arrangement and the other transactions contemplated herein requires no consent, waiver or approval or any action by or in respect of, or filing with, or notification to, any Governmental Entity other than: (i) as contemplated in this Agreement; (ii) the Interim Order and any approvals required by the Interim Order; (iii) the Final Order; (iv) compliance with any applicable securities laws and stock exchange rules and regulations; and (v) any actions, filings or notifications the absence of which would not materially delay the completion of the Arrangement or reasonably be expected to have, individually or in the aggregate, a Canopy Material Adverse Effect.

Section 3.3 Representations and Warranties of Canopy.

Canopy represents and warrants to and in favour of the Company as follows and acknowledges that the Company is relying upon such representations and warranties in entering into this Agreement:

(a) Organization and Qualification. Canopy is a corporation duly incorporated and validly existing under the applicable Laws of its jurisdiction of incorporation, continuance or creation and has all necessary corporate power and authority to own its property and assets as now owned and to carry on its business as it is now being conducted. Canopy is duly qualified to do business and is good standing in each jurisdiction in which the character of its properties, owned, leased, licensed or otherwise held, or the nature of its activities, makes such qualification necessary. No proceedings have been taken, instituted or are pending for the dissolution, winding-up or liquidation of Canopy and no board approvals have been given to commence any such proceedings.

(b) Capitalization.

(i) The authorized share capital of Canopy consists of an unlimited number of common shares. As of October 24, 2022, there were issued and outstanding 480,284,319 Canopy Shares; and

(ii) As of October 24, 2022, there were an aggregate of up to 163,517,040 common shares issuable upon the conversion, exercise or exchange of all outstanding securities of Canopy which may be converted, exercised or exchanged for Canopy Shares (the "**Canopy Outstanding Convertible Securities**").

(c) Authority Relative to this Agreement, the Consent Agreement and the Protection Agreement. Canopy has all necessary corporate power, authority and capacity to enter into this Agreement, the Consent Agreement, the Protection Agreement and all other agreements and instruments to be executed by Canopy as contemplated by this Agreement, and, subject to obtaining the Interim Order, the Final Order and the Regulatory Approvals, to perform its obligations hereunder and under such agreements and instruments. The execution and delivery of this Agreement, the Consent Agreement and the Protection Agreement by Canopy and the performance by Canopy of its obligations under this Agreement, the Consent Agreement and the Protection Agreement have been duly authorized by the board of directors of Canopy and no other corporate proceedings on its part are necessary to authorize this Agreement, the Consent Agreement, the Protection Agreement or the Arrangement, except for obtaining the Interim Order, the Final Order and the Regulatory Approvals. Each of this Agreement, the Consent Agreement and the Protection Agreement has been duly executed and delivered by Canopy, and constitutes a legal, valid and binding obligation of Canopy, enforceable against Canopy in accordance with its terms, subject to the qualification that such enforceability may be limited by bankruptcy, insolvency, reorganization or other laws of general application relating to or affecting rights of creditors and that equitable remedies, including specific performance, are within the discretion of a court.

(d) No Violation. Neither the authorization, execution and delivery of this Agreement by Canopy nor the completion of the transactions contemplated by this Agreement or the Arrangement nor the performance of its obligations hereunder or thereunder, nor compliance by Canopy with any of the provisions hereof or thereof will result in a violation or breach of, constitute a default (or an event which, with notice or lapse of time or both, would become a default), require any consent or approval to be obtained or notice to be given under, or give rise to any third party right of termination, cancellation, suspension, acceleration, penalty or payment obligation or right to purchase or sale under, any provision of:

(i) its Constating Documents;

(ii) any Authorization or Contract to which Canopy is a party or to which it or any of its properties or assets are bound; or

(iii) any Laws, regulation, order, judgment or decree applicable to Canopy or any of its Subsidiaries or any of their respective properties or assets;

except for such breaches, defaults, consents, terminations, cancellations, suspensions, accelerations, penalties, payment obligations or rights which would not individually or in the aggregate have a Canopy Material Adverse Effect.

(e) Governmental Approvals. The execution, delivery and performance by Canopy of its obligations pursuant to this Agreement and the consummation by Canopy of the Arrangement requires no consent, waiver or approval or any action by or in respect of, or filing with, or notification to, any Governmental Entity other than: (i) as contemplated in this Agreement; (ii) the Interim Order and any approvals required by the Interim Order; (iii) the Final Order; (iv) such filings and approvals for the issuance of the Consideration Shares as a result of the Arrangement and the issuance of Canopy Shares upon the exercise of Replacement Options, Replacement Warrants and the vesting of Replacement RSUs as are required under applicable securities laws and the rules and policies of the TSX and Nasdaq, or such other recognized stock exchange(s) on which the Canopy Shares may be listed; (v) compliance with any applicable securities laws and stock exchange rules and regulations; and (vi) any actions, filings or notifications the absence of which would not materially delay the completion of the Arrangement or reasonably be expected to have, individually or in the aggregate, a Canopy Material Adverse Effect.

(f) Consideration Shares. The Consideration Shares will, when issued in accordance with the terms of the Arrangement, be duly authorized, validly issued, fully-paid and non-assessable Canopy Shares.

(g) Replacement Securities. The Replacement Options, Replacement Warrants and Replacement RSUs will, when issued in accordance with the terms of the Arrangement, be duly authorized and validly issued. The Canopy Shares issuable upon the exercise of such Replacement Options, Replacement Warrants and the vesting of Replacement RSUs will, when issued, be duly authorized, validly issued, fully-paid and non-assessable Canopy Shares.

(h) Canopy Public Disclosure Record. All documents and instruments comprising the Canopy Public Disclosure Record have been filed or furnished, as applicable, on a timely basis, with the applicable Securities Authorities and/or the SEC pursuant to Securities Laws, the U.S. Securities Act and the U.S. Exchange Act, as applicable and the rules and policies of the TSX and Nasdaq, except where failure to do so would not have any Canopy Material Adverse Effect. Each of the documents and instruments comprising the Canopy Public Disclosure Record, at the time of its filing or being furnished, complied in all material respects with the applicable requirements of Securities Laws, the U.S. Securities Act and the U.S. Exchange Act, as applicable, and the rules and policies of the TSX and Nasdaq. As of their respective dates (or, if amended prior to the date hereof, as of the date of such amendment), the documents and instruments constituting the Canopy Public Disclosure Record did not contain any Misrepresentation. To the knowledge of Canopy, the Canopy Public Disclosure Record (other than confidential treatment requests) is not the subject of ongoing review, comment or investigation by any Securities Authority, the SEC, the TSX or Nasdaq. Canopy has not filed any confidential material change report or equivalent which at the date of this Agreement remains confidential.

(i) No Disputes. As of October 24, 2022, there is no Dispute threatened or pending to challenge or enjoin the Arrangement and no governmental or regulatory authority has threatened or instituted or commenced any Dispute with respect to the matters contemplated by this Agreement, the Consent Agreement or the Protection Agreement or taken any actions or enacted any law, order, rule or regulation (including a final order of a court of competent jurisdiction) that has the effect of making the Arrangement, the Consent Agreement or the Protection Agreement illegal or otherwise preventing or prohibiting the consummation of the Arrangement. As of October 24, 2022, other than as disclosed by Canopy pursuant to securities Laws on SEDAR or EDGAR, there is no investigation, dispute, or litigation commenced that would or be expected to have a Canopy Material Adverse Effect.

(j) Assets. As of the execution of this Agreement, Canopy, directly or indirectly, holds all of the issued and outstanding securities of the Purchaser. As of October 24, 2022, Subsidiaries of the Purchaser hold an option to acquire all of the issued and outstanding securities of Mountain High Products, LLC, Wana Wellness, LLC, The Cima Group, LLC and Lemurian, Inc. As of October 24, 2022, entities that are controlled by the Purchaser own (i) 38,890,570 exchangeable shares in the capital of TerrAscend Corp.; (ii) 22,474,130 common share purchase warrants to acquire 22,474,130 common shares in the capital of TerrAscend Corp.; and (iii) an option to acquire 1,072,450 in the capital of TerrAscend Corp.

(k) Financial Statements. To the knowledge of Canopy, the financial statements of Mountain High Products, LLC, Wana Wellness, LLC, The Cima Group, LLC and Lemurian, Inc. delivered to the Company present fairly, in all material respects, the consolidated financial position, financial performance and cash flows for the dates and periods indicated therein (subject, in the case of any unaudited financial statements, to normal-period-end adjustments).

Section 3.4 Survival of Representations and Warranties.

The representations and warranties of the Parties contained in this Agreement will not survive the completion of the Arrangement and will expire and be terminated on the earlier of the Effective Time and the date on which this Agreement is terminated in accordance with its terms.

Article 4
COVENANTS

Section 4.1 Covenants Regarding the Arrangement.

(1) Subject to Section 4.2 and Section 4.4(4), each of the Company, the Purchaser and Canopy shall each (and each shall cause its respective affiliates to) use its commercially reasonable efforts to take, or cause to be taken, all actions and to do or cause to be done all things required or advisable under applicable Law to consummate and make effective, as soon as reasonably practicable, the transactions contemplated by this Agreement and the Plan of Arrangement, including using commercially reasonable efforts to:

(a) satisfy, or cause the satisfaction of, all conditions precedent to be fulfilled by it in this Agreement and take all steps set forth in the Interim Order and Final Order applicable to it and comply promptly with all requirements imposed by applicable Law on it or its Subsidiaries with respect to this Agreement or the implementation of the Arrangement;

(b) oppose, lift or rescind any injunction, restraining or other order, decree or ruling seeking to restrain, enjoin or otherwise prohibit or delay or otherwise adversely affect the implementation of the Arrangement and defend, or cause to be defended, any proceedings to which it is a party or brought against it or its directors or officers challenging the Arrangement or this Agreement; and

(c) not take any action, or refrain from taking any action, or permitting any action to be taken or not taken, which would reasonably be expected to prevent, materially delay or otherwise impede the implementation of the Arrangement or the transactions contemplated by this Agreement.

(2) The Company covenants and agrees that, other than set out in Section 4.2(1) of the Company Disclosure Letter, during the period from the date of this Agreement until the earlier of the Effective Time and the time that this Agreement is terminated in accordance with its terms, except with Canopy's prior written consent, it shall not:

(a) issue, sell, grant, award, pledge, dispose of or otherwise encumber or agree to issue, sell, grant, award, pledge, dispose of or otherwise encumber any Company Floating Shares or other equity or voting interests or any options, stock appreciation rights, warrants, calls, conversion or exchange privileges or rights of any kind to acquire (whether on exchange, exercise, conversion or otherwise) any Company Floating Shares (including, for greater certainty, Company Floating Options, Company Floating Share Units, Company Floating Warrants or any other equity based awards), other than the issuance of Company Floating Shares pursuant to the exercise or settlement (as applicable) of Company Floating Options, Company Floating Share Units or Company Floating Warrants that are outstanding as of the date of this Agreement in accordance with their terms; or

(b) take any action to amend or waive any performance, vesting or settlement criteria of, or accelerate vesting or settlement under, the Company Floating Securities or the Amended Equity Incentive Plan, as applicable.

(3) The Company shall promptly notify Canopy of:

(a) any Company Material Adverse Effect;

(b) any notice or other communication from any Person alleging that the consent (or waiver, permit, exemption, order, approval, agreement, amendment or confirmation) of such Person is required in connection with this Agreement or the Arrangement;

(c) any notice or other communication from any Person to the effect that such Person is terminating or otherwise materially adversely modifying its relationship with the Company or any of its Subsidiaries as a result of this Agreement or the Arrangement; or

(d) any notice or other communication from any Governmental Entity in connection with this Agreement (and the Company shall contemporaneously provide a copy of any such written notice or communication to Canopy to the extent permitted by Law).

(4) The Purchaser and Canopy shall promptly notify the Company in writing of any notice or other communication from any Person alleging that the consent (or waiver, permit, exemption, order, approval, agreement, amendment or confirmation) of such Person is required in connection with this Agreement or the Arrangement.

(5) Canopy covenants and agrees with the Company that prior to the exchange of all Canopy Shares held by CBG and Greenstar into the Exchangeable Canopy Shares, without the prior written consent of the Company, such consent not to be unreasonably withheld, conditioned or delayed, Canopy will not amend, modify, supplement, restate or terminate the Consent Agreement.

(6) Canopy covenants and agrees with the Company that prior to the exchange of all Canopy Shares held by CBG and Greenstar into the Exchangeable Canopy Shares, without the prior written consent of the Company, such consent not to be unreasonably withheld, conditioned or delayed, Canopy will not amend, modify, supplement, restate or terminate the Protection Agreement.

(7) The Purchaser covenants and agrees with the Company that prior to the exchange of all Canopy Shares held by CBG and Greenstar into the Exchangeable Canopy Shares, without the prior written consent of the Company, such consent not to be unreasonably withheld, conditioned or delayed, the Purchaser will not amend, modify, supplement, restate or terminate the Protection Agreement.

(8) The Purchaser covenants and agrees with the Company that prior to the Effective Time, without the prior written consent of the Company, such consent not to be unreasonably withheld, conditioned or delayed, the Purchaser shall not undertake any further merger, amalgamation, statutory arrangement, share exchange, consolidation, business combination, recapitalization, sale or other disposition of the assets of the Purchaser or its Subsidiaries in a single transaction or a series of related transaction that could reasonably be expected to impede, prevent or materially delay completion of the transaction contemplated by this Agreement.

Section 4.2 Regulatory Approvals

(1) As soon as reasonably practicable after the date hereof, the Parties shall, at such time and as agreed between the Parties, make all notifications, filings, applications and submissions with Governmental Entities required or advisable, and shall use their respective best efforts to obtain and maintain, the Arrangement Regulatory Approvals and any other Regulatory Approvals deemed by any of the Parties, acting reasonably, to be necessary to discharge their respective obligations under this Agreement in connection with the completion of the Arrangement.

(2) The Parties shall cooperate with one another in connection with obtaining the Arrangement Regulatory Approvals and any other Regulatory Approvals required or desirable in connection with the Arrangement including by providing or submitting on a timely basis all documentation and information that is required, or in the reasonably held opinion of the Purchaser or Canopy, advisable, in connection with obtaining the Arrangement Regulatory Approvals and any such other Regulatory Approvals and using their commercially reasonable efforts to ensure that such information does not contain a Misrepresentation.

(3) The Parties shall cooperate with and keep one another fully informed as to the status of and the processes and proceedings relating to obtaining the Arrangement Regulatory Approvals and any other Regulatory Approvals, and shall promptly notify each other of any communication from any Governmental Entity in respect of the Arrangement or this Agreement.

(4) The Company shall not make any submissions or filings, participate in any meetings or any material conversations with any Governmental Entity in respect of any filings, investigations or other inquiries related to the Arrangement or this Agreement unless it affords Canopy a reasonable opportunity to consult with it in advance and, to the extent not precluded by such Governmental Entity, gives Canopy the reasonable opportunity to review drafts of any submissions or filings, or attend and participate in any communications or meetings.

(5) Each of the Parties shall promptly notify the other Parties if it becomes aware that any (i) application, filing, document or other submission for any Arrangement Regulatory Approval or any other Regulatory Approval contains a Misrepresentation, or (ii) any Arrangement Regulatory Approval or any other Regulatory Approval contains, reflects or was obtained following the submission of any application, filing, document or other submission containing a Misrepresentation, such that an amendment or supplement may be necessary or advisable. In such case, the Company, the Purchaser or Canopy, as applicable shall, in consultation with and subject to the prior approval of the other Parties, co-operate in the preparation, filing and dissemination, as applicable, of any such amendment or supplement.

(6) The Parties shall request that the Arrangement Regulatory Approvals be processed by the applicable Governmental Entity on an expedited basis and, to the extent that a public hearing is held, the Parties shall request the earliest possible hearing date for the consideration of the Arrangement Regulatory Approvals.

(7) If any objections are asserted with respect to the transactions contemplated by this Agreement under any Law, or if any proceeding is instituted or threatened by any Governmental Entity challenging or which could lead to a challenge of any of the transactions contemplated by this Agreement as not in compliance with Law, the Parties shall use their commercially reasonable efforts consistent with the terms of this Agreement to resolve such proceeding so as to allow the Effective Date to occur on or prior to the Outside Date. Notwithstanding the foregoing, no Party nor any of their affiliates shall be required to proffer or consent to a governmental order consenting to any divestiture, restriction, prohibition or limitation that materially limits the Party's business in order to remedy any concerns that any Governmental Entity may have.

(8) If a Party becomes aware that an Arrangement Regulatory Approval will not be granted and in respect of which the failure to obtain same would result in the failure to satisfy a condition set out in Article 5, the Party becoming so aware shall promptly notify the other Parties.

Section 4.3 Pre-Acquisition Reorganization.

(1) The Company agrees that, upon written request of Canopy, and at Canopy's sole expense, the Company shall: (i) effect such reorganizations of its corporate structure, capital structure, business, operations and assets or such other transactions as Canopy may request, acting reasonably (each a "**Pre-Acquisition Reorganization**"), and (ii) cooperate with Canopy and their respective advisors to determine the nature of the Pre-Acquisition Reorganizations that might be undertaken and the manner in which they would most effectively be undertaken.

(2) Neither the Company nor its affiliates will be obligated to participate in any Pre-Acquisition Reorganization under Section 4.3(1) unless such Pre-Acquisition Reorganization:

(a) can be implemented prior to the Effective Date;

(b) is not prejudicial to the Company, its affiliates, any of the Company's shareholders, the holders of High Street Units or the holders of USCo2 Class B Shares in any material respect;

(c) does not unreasonably interfere with the ongoing operations of the Company or any of its Subsidiaries;

(d) does not result in (i) any material breach by the Company of any existing Contract or commitment of the Company; or (ii) a breach of any Law;

(e) does not require the approval of any or all of the Company Fixed Shareholders, the Company Floating Shareholders or the Company Fixed Multiple Shareholders;

(f) would not reasonably be expected to impede or delay the completion of the Arrangement on the Effective Date in any material respect; and

(g) would not result in any Taxes being imposed on, or any adverse Tax or other adverse consequences to, any shareholder of the Company or any holder of High Street Units or USCo2 Class B Shares incrementally greater than the Taxes or other consequences to such party in connection with the Arrangement in the absence of any Pre-Acquisition Reorganization, unless Canopy reimburses the shareholders of the Company or any direct or indirect holder of High Street Units or USCo2 Class B Shares for all such Taxes or consequences (including Taxes on such reimbursement).

(3) The Purchaser or Canopy must provide written notice to the Company of any proposed Pre-Acquisition Reorganization at least 30 days prior to the Effective Date. Upon receipt of such notice, if the conditions in Section 4.3(2) are satisfied, the Company, the Purchaser and Canopy shall work cooperatively and use commercially reasonable efforts to prepare prior to the Effective Time all documentation necessary and do such other acts and things as are necessary to give effect to such Pre-Acquisition Reorganization, including any amendment to this Agreement or the Plan of Arrangement and shall seek to have any such Pre-Acquisition Reorganization made effective as of the last moment of the Business Day ending immediately prior to the Effective Date (but after the Purchaser and Canopy have confirmed in writing that all of the conditions set out in Section 6.1 have been satisfied, or waived those conditions set forth in Section 6.1 which it has not confirmed in writing have been satisfied, and that it is prepared to promptly without condition proceed to effect the Arrangement).

(4) Canopy agrees that it will be solely responsible for all costs and expenses (including professional fees and expenses of the Company) associated with any Pre-Acquisition Reorganization to be carried out at its request and that any Pre-Acquisition Reorganization may not be considered in determining whether a representation, warranty or covenant of the Company under this Agreement has been breached (including where any such Pre-Acquisition Reorganization requires the consent of any third party under a Contract) or if a condition for the benefit of the Purchaser or Canopy has been satisfied.

(5) Canopy shall indemnify the Company, its affiliates and Subsidiaries and their respective officers, directors and employees for all direct and indirect costs or losses, liabilities, damages, claims, costs, expenses, interest awards, judgments and penalties, including any material adverse Tax consequences, out-of-pocket costs and expenses, including out-of-pocket legal fees and disbursements, suffered or incurred by any of them in connection with or as a result of any Pre-Acquisition Reorganization or the unwinding of any Pre-Acquisition Reorganization.

Section 4.4 Public Communications.

(1) Subject to compliance with applicable Securities Laws, immediately after the execution of this Agreement, or such later time prior to the next opening of markets in Toronto or New York as is agreed to by the Company, the Purchaser and Canopy, each of the Company and Canopy shall issue a news release announcing the entering into of this Agreement, which news release shall be satisfactory in form and substance to the Company and Canopy, each acting reasonably, and, thereafter, file such news release, corresponding Form 8-Ks and material change reports in their prescribed forms and this Agreement in accordance with applicable Securities Laws, the U.S. Securities Act and the U.S. Exchange Act. If any of the Parties determines that it is required to publish or disclose the text of this Agreement in accordance with applicable Law, it shall provide the other Parties with an opportunity to propose appropriate additional redactions to the text of this Agreement, and the disclosing Party hereby agrees to accept any such suggested redactions to the extent permitted by applicable Law. If a Party does not respond to a request for comments within 48 hours (excluding days that are not Business Days) or such shorter period of time as the requesting Party has determined is necessary in the circumstances, acting reasonably and in good faith, the Party making the disclosure shall be entitled to issue the disclosure without the input of the non-responsive Party.

(2) No Party shall issue any press release or make any other public statement or disclosure with respect to this Agreement or the Arrangement without the consent of the other Parties (which consent shall not be unreasonably withheld, conditioned or delayed), and the Company must not make any filing with any Governmental Entity (except as contemplated by this Article 4) with respect to this Agreement or the Arrangement without the consent of Canopy (which consent shall not be unreasonably withheld, conditioned or delayed); provided that any Party that is required to make disclosure by Law shall use its commercially reasonable efforts to give the other Parties prior oral or written notice (and if such prior notice is not possible, to give notice immediately following the making of any such disclosure or filing) and a reasonable opportunity to review or comment on the disclosure or filing (other than with respect to confidential information contained in such disclosure or filing). The Party making such disclosure shall give reasonable consideration to any comments made by the other Parties or their respective counsel, and if such prior notice is not possible, shall give such notice immediately following the making of such disclosure or filing.

(3) The Company, the Purchaser and Canopy agree to cooperate in the preparation of formal presentations, if any, to any Company Floating Shareholders or other securityholders of the Company or the analyst community regarding the Arrangement, and the Company agrees to consult with Canopy in connection with any formal meeting with analysts that it may have, provided, however, that the foregoing shall be subject to the Company's overriding obligation to make any disclosure or filing required by applicable Laws or stock exchange rules and if the Company is required to make any such disclosure, it shall use its commercially reasonable efforts to give Canopy a reasonable opportunity to review and comment thereon prior to its dissemination.

(4) Notwithstanding any other provision of this Agreement, in the event of a Change in Recommendation, the Company Board shall be permitted to make any public disclosure and public statements that it determines to be necessary as a result of or related to such Change in Recommendation, in its sole discretion on the advice of external counsel, and without the need to obtain prior consent from the Purchaser or Canopy in respect of its initial announcement of a Change in Recommendation and any further announcement if the Purchaser or Canopy has responded publicly to such initial public announcement, and any such disclosure or statement shall not constitute a breach of any covenant or obligation of the Company under this Agreement; provided that, the Company shall provide the Purchaser, Canopy and their respective counsel with a reasonable opportunity to review and comment on any such public disclosure or statements and shall give reasonable consideration to any comments made by the Purchaser, Canopy and their respective counsel in good faith. The obligation of the Company to provide the Purchaser, Canopy and their respective counsel with a reasonable opportunity to review and comment on any such public disclosure and give reasonable consideration to any comments made by the Purchaser, Canopy and their respective counsel shall not apply to any such public disclosure or statements in connection with any dispute regarding this Agreement or the transactions contemplated hereby.

Section 4.5 Notification Provisions.

(1) Each of the Parties shall promptly notify the other Parties of the occurrence, or failure to occur, of any event or state of facts which occurrence or failure would, or would be reasonably likely to:

(a) cause any of the representations or warranties of such Party contained in this Agreement to be untrue or inaccurate in any material respect at any time from the date of this Agreement to the Effective Time; or

(b) result in the failure to comply with or satisfy any covenant, condition or agreement to be complied with or satisfied by such Party under this Agreement.

Notification provided under this Section 4.5 will not affect the representations, warranties, covenants, agreements or obligations of the Parties (or remedies with respect thereto) or the conditions to the obligations of the Parties under this Agreement.

Section 4.6 Dissent Rights Payments.

Canopy hereby agrees that, to the extent that a Company Floating Shareholder exercises its Dissent Rights and a payment is required to be made to such Dissenting Company Floating Shareholder, Canopy shall immediately, upon the transfer of such Company Floating Shares held by a Dissenting Company Floating Shareholder to the Purchaser, make all such payments in respect of Dissent Rights, on behalf of the Purchaser, to the Dissenting Company Floating Shareholders when due and payable in accordance with Section 3.2(a) and Section 4.1 of the Plan of Arrangement.

Section 4.7 Canopy Covenants Regarding Capital Reorganization

(1) Canopy shall duly take all lawful action to call, give notice of, convene and conduct a special meeting of Canopy shareholders in accordance with Canopy's Constating Documents and applicable Law, including TSX and Nasdaq policies, and use commercially reasonable efforts to schedule the meeting as promptly as practicable and, in any event, on or before the Exercise Outside Date.

(2) Canopy shall not terminate, amend or waive, in whole or in part, the CBG Support Agreement, without the prior written consent of the Company.

(3) Canopy shall forthwith, and in any event not later than five Business Days following the exchange of all Canopy Shares held by CBG and Greenstar into the Exchangeable Canopy Shares, exercise the Canopy Call Option.

Section 4.8 Canopy Covenant Relating to the Replacement Options, Replacement Warrants and Replacement RSUs

To the extent permitted by applicable Law, Canopy shall, as promptly as practicable following the Effective Time, cause a registration statement on Form S-8 to be filed with the SEC to register the issuance of Canopy Shares issuable upon exercise of the Replacement Options or the Replacement Warrants and the vesting of the Replacement Share Units. If Canopy is not permitted by applicable Law to file a Form S-8 to register the issuance of Canopy Shares issuable upon exercise or vesting, as applicable, of the Replacement Options, Replacement Warrants and Replacement Share Units, Canopy shall promptly file a registration statement on an appropriate form to register the resale of the Canopy Shares issuable upon exercise or vesting, as applicable, of the Replacement Options, Replacement Warrants and Replacement Share Units, or otherwise take all necessary actions to cause the Canopy Shares issuable upon exercise or vesting, as applicable, of the Replacement Options, Replacement Warrants and Replacement Share Units, to be issued free of resale restrictions and without restrictive legends to the extent permitted by applicable Law.

Article 5
ADDITIONAL COVENANTS REGARDING NON-SOLICITATION

Section 5.1 Company Non-Solicitation.

(1) On and after the date of this Agreement, except as expressly provided in this Agreement, the Company and its Subsidiaries shall not, directly or indirectly, through any Representative, or otherwise, and shall not permit any such Person to:

(a) solicit, assist, initiate, encourage or otherwise facilitate (including by way of furnishing or providing copies of, access to, or disclosure of, any confidential information, properties, facilities, books or records of the Company or any Subsidiary or entering into any form of agreement, arrangement or understanding (other than an Acceptable Confidentiality Agreement), any inquiry, proposal or offer that constitutes or could reasonably be expected to constitute or lead to, an Acquisition Proposal;

(b) enter into or otherwise engage or participate in any discussions or negotiations with any Person (other than the Purchaser) regarding any inquiry, proposal, expression or offer that constitutes or could reasonably be expected to constitute or lead to, an Acquisition Proposal or otherwise encourage, facilitate, cooperate with, assist or participate in, any effort or attempt of any other Person to do or seek to do any of the foregoing; or

(c) make or propose publicly to make a Change in Recommendation;

provided, however, that nothing contained in this Section 5.1(1) or any other provision of this Agreement shall prevent the Company from, and the Company shall be permitted to: (i) engage in discussions or negotiations with, or respond to enquiries from any Person that has made a bona fide unsolicited written Acquisition Proposal after the date hereof and prior to the Company Meeting, that did not result from a breach of this Section 5.1 and, subject to the Company's compliance with Section 5.1(4), that the Company Board has determined constitutes or could reasonably be expected to result in a Superior Proposal, or (ii) provide information and access to properties, facilities, books or records of the Company pursuant to Section 5.1(6) to any Person where the requirements of Section 5.1(6) are met.

(2) The Company shall, and shall cause its Subsidiaries and its Representatives to, immediately cease and terminate, and cause to be terminated, any solicitation, encouragement, discussion, negotiations, or other activities commenced prior to the date of this Agreement with any Person (other than the Purchaser) with respect to any inquiry, proposal or offer that constitutes, or could reasonably be expected to constitute or lead to, an Acquisition Proposal, and in connection therewith the Company shall:

(a) discontinue access to and disclosure of all information, including the Company Data Room and any confidential information, properties, facilities, books and records of the Company or any Subsidiary; and

(b) within two Business Days of the date hereof, to the extent it is permitted to do so, request, and exercise all rights it has to require (i) the return or destruction of all copies of any confidential information regarding the Company or any Subsidiary provided to any such Person other than the Purchaser; and (ii) the destruction of all material including or incorporating or otherwise reflecting such confidential information regarding the Company or any Subsidiary, to the extent that such information has not previously been returned or destroyed, using its commercially reasonable efforts to ensure that such requests are fully complied with in accordance with the terms of such rights or entitlements.

(3) The Company represents and warrants that the Company has not waived any confidentiality, standstill or similar agreement or restriction to which the Company or any Subsidiary is a party relating to an Acquisition Proposal, and covenants and agrees that (i) the Company shall take all necessary action to enforce each confidentiality, standstill, use, business purpose or similar agreement or restriction to which the Company or any Subsidiary is a party, and (ii) neither the Company, nor any Subsidiary nor any of their respective Representatives will, without the prior written consent of the Purchaser (which consent may be withheld or delayed in the Purchaser's sole and absolute discretion), release any Person from, or waive, amend, suspend or otherwise modify such Person's obligations respecting the Company, or any of its Subsidiaries, under any confidentiality, standstill, use, business purpose or similar agreement or restriction to which the Company or any Subsidiary is a party, it being acknowledged and agreed that the automatic termination of any standstill provisions of any such agreement or restriction as a result of the entering into and announcement of this Agreement by the Company pursuant to the express terms of any such agreement or restriction, shall not be a violation of this Section 5.1 and that the Company shall not be prohibited from considering a Superior Proposal from a party whose obligations so terminated automatically upon the entering into and announcement of this Agreement.

(4) If after the date of this Agreement, the Company or any of its Subsidiaries or any of their respective Representatives, receives or otherwise becomes aware of any inquiry, proposal or offer that constitutes or could reasonably be expected to constitute or lead to an Acquisition Proposal, or any request for copies of, access to, or disclosure of, confidential information relating to the Company or any Subsidiary, including but not limited to information, access, or disclosure relating to the properties, facilities, books or records of the Company or any Subsidiary, the Company: (a) shall promptly notify the Purchaser, at first orally, and then, and in any event within 24 hours in writing, of such Acquisition Proposal, inquiry, proposal, offer or request, including a description of its material terms and conditions, the identity of all Persons making the Acquisition Proposal, inquiry, proposal, offer or request, and shall provide the Purchaser with copies of any and all documents, correspondence or other material received in respect of the Acquisition Proposal, from or on behalf of any such Person and such other details of such Acquisition Proposal, inquiry, proposal, offer or request as the Purchaser may reasonably request; and (b) may contact the Person making such Acquisition Proposal, inquiry, proposal, offer or request and its Representatives solely for the purpose of clarifying the terms and conditions of such Acquisition Proposal, inquiry, proposal, offer or request so as to determine whether such Acquisition Proposal, inquiry, proposal, offer or request is, or would reasonably be expected to lead to, a Superior Proposal.

(5) The Company shall keep the Purchaser promptly and fully informed on a current basis of the status of developments and negotiations with respect to any Acquisition Proposal, inquiry, proposal, offer or request, including any changes, modifications or other amendments to any such Acquisition Proposal, inquiry, proposal, offer or request and shall provide to the Purchaser copies of all correspondence if in writing or electronic form, and if not in writing or electronic form, a description of the material terms of such correspondence sent or communicated to the Company by or on behalf of any Person making such Acquisition Proposal, inquiry, proposal, offer or request.

(6) If at any time, prior to obtaining the Required Shareholder Approval, the Company receives an unsolicited written Acquisition Proposal, the Company may engage in or participate in discussions or negotiations with such Person regarding such Acquisition Proposal and may provide copies of, access to or disclosure of confidential information, properties, facilities, books or records of the Company or its Subsidiaries, if and only if:

(a) the Company Board first determines in good faith, after consultation with its financial advisors and its outside counsel, that such Acquisition Proposal constitutes or would reasonably be expected to constitute or lead to a Superior Proposal, and, after consultation with its outside counsel, that the failure to engage in such discussions or negotiations would be inconsistent with the fiduciary duties of such directors under applicable Law;

(b) such Person was not restricted from making such Acquisition Proposal pursuant to an existing confidentiality, standstill, non-disclosure, use, business purpose or similar restriction with the Company or its Subsidiaries;

(c) the Acquisition Proposal did not arise, directly or indirectly, as a result of a violation by the Company of this Section 5.1;

(d) the Company enters into an Acceptable Confidentiality Agreement; and

(e) the Company promptly provides the Purchaser with:

(i) prior written notice stating the Company's intention to participate in such discussions or negotiations and to provide such copies, access or disclosure;

(ii) prior to providing any such copies, access or disclosure, a true, complete and final executed copy of the Acceptable Confidentiality Agreement referred to in Section 5.1(6)(d); and

(iii) any non-public information concerning the Company and its Subsidiaries requested by and provided to such other Person which was not previously provided to the Purchaser or its Representatives.

provided, however, that the Company may only provide the Person making the Acquisition Proposal with access to and disclosure of information, including the Company Data Room and any confidential information, properties, facilities, books and records of the Company or any Subsidiary for a period of ten Business Days after such Person is first afforded access to the books, records and personnel of the Company. For greater certainty, on the tenth Business Day after such Person is first afforded access to the books, records and personnel of the Company, the Company shall discontinue access to and disclosure of all information, including the Company Data Room and any confidential information, properties, facilities, books and records of the Company or any Subsidiary.

(7) If the Company receives an Acquisition Proposal that constitutes a Superior Proposal prior to obtaining the Required Shareholder Approval, the Company Board may make a Change in Recommendation and approve, recommend or enter into a definitive agreement with respect to such Superior Proposal, if and only if:

(a) the Person making the Superior Proposal was not restricted from making such Superior Proposal pursuant to an existing confidentiality, standstill, business purpose or similar restriction;

(b) the Acquisition Proposal, inquiry, proposal, offer or request did not arise, directly or indirectly, as a result of a violation by the Company of this Section 5.1;

(c) the Company has delivered to the Purchaser a written notice of the determination of the Company Board that such Acquisition Proposal constitutes a Superior Proposal and of the intention of the Company Board to make a Change in Recommendation and/or enter into such definitive agreement promptly following the making of such determination (the "**Superior Proposal Notice**");

(d) the Company or its Representatives has provided the Purchaser with a copy of the proposed definitive agreement for the Superior Proposal;

(e) at least five full Business Days (the "**Matching Period**") have elapsed from the date on which the Purchaser has received each of (i) the Superior Proposal Notice, and (ii) a copy of the proposed definitive agreement for the Superior Proposal from the Company;

(f) during any Matching Period, the Purchaser has been afforded the opportunity, in accordance with Section 5.1(8), to offer to amend this Agreement and the Arrangement in order for such Acquisition Proposal to cease to be a Superior Proposal;

(g) after the Matching Period, the Company Board has determined in good faith, after consultation with its legal counsel and financial advisors, that such Acquisition Proposal continues to constitute a Superior Proposal (and, if applicable, as compared to the terms of the Arrangement as proposed to be amended by the Purchaser under Section 5.1(8);

(h) the Company Board has determined, in good faith, after consultation with the Company's financial advisors and outside legal counsel, that such Acquisition Proposal remains a Superior Proposal as compared to the Arrangement as proposed to be amended by the Purchaser and that it is necessary for the Company Board to enter into a definitive agreement with respect to such Superior Proposal in order to satisfy their fiduciary duties to the Company;

(i) the Company concurrently terminates this Agreement pursuant to Section 7.2(1)(d)(ii); and

(j) the Company has previously, or concurrently will have, paid to the Purchaser the Termination Fee.

(8) During the Matching Period, or such longer period as the Company may approve in writing for such purpose: (a) the Company Board shall review any offer made by the Purchaser under Section 5.1(7)(f) to amend the terms of this Agreement and the Arrangement in good faith in order to determine whether such proposal would, upon acceptance, result in the Acquisition Proposal previously constituting a Superior Proposal ceasing to be a Superior Proposal; and (b) the Company shall, and shall cause its Representatives to, negotiate in good faith with the Purchaser to make such amendments to the terms of this Agreement and the Arrangement as would enable the Purchaser to proceed with the transactions contemplated by this Agreement on such amended terms. The Company agrees that, subject to the Company's disclosure obligations under applicable Securities Laws, the fact of the making of, and each of the terms of, any such proposed amendments shall be kept strictly confidential and shall not be disclosed to any Person (including without limitation, the Person having made the Superior Proposal), other than the Company's Representatives, without the Purchaser's prior written consent. If the Company Board determines that such Acquisition Proposal would cease to be a Superior Proposal, the Company shall promptly so advise the Purchaser and the Company and the Purchaser shall amend this Agreement to reflect such offer made by the Purchaser, and shall take and cause to be taken all such actions as are necessary to give effect to the foregoing.

(9) Each successive amendment or modification to any Acquisition Proposal that results in an increase in, or modification of, the consideration (or value of such consideration) to be received by the Company Floating Shareholders or other material terms or conditions thereof shall constitute a new Acquisition Proposal for the purposes of this Section 5.1, and the Purchaser shall be afforded a new five Business Day Matching Period from the date on which the Purchaser has received each of (i) the Superior Proposal Notice, and (ii) a copy of the proposed definitive agreement for the new Superior Proposal from the Company.

(10) The Company Board shall promptly reaffirm the Company Board Recommendation by press release after any Acquisition Proposal which is not determined to be a Superior Proposal is publicly announced, or the Company Board determines that a proposed amendment to the terms of this Agreement as contemplated under Section 5.1(8) would result in an Acquisition Proposal no longer being a Superior Proposal. The Company shall provide the Purchaser and its outside legal counsel with a reasonable opportunity to review the form and content of any such press release and will give reasonable consideration to all comments made by the Purchaser and its counsel.

(11) If the Company provides a Superior Proposal Notice to the Purchaser after a date that is less than ten Business Days before the Company Meeting, the Company shall either proceed with or shall postpone or adjourn the Company Meeting, as directed by the Purchaser acting reasonably, to a date that is not more than ten Business Days after the scheduled date of the Company Meeting, but in any event to a date that is not less than five Business Days prior to the Effective Time Outside Date.

(12) Nothing contained in this Section 5.1 shall limit in any way the obligation of the Company to convene and hold the Company Meeting in accordance with Section 2.3 of this Agreement while this Agreement remains in force.

(13) Nothing contained in this Agreement shall prevent the Company Board from complying with Section 2.17 of National Instrument 62-104 – *Takeover Bids and Issuer Bids* and similar provisions under Securities Laws relating to the provision of a directors' circular in respect of an Acquisition Proposal that is not a Superior Proposal.

(14) Without limiting the generality of the foregoing, the Company shall advise its Subsidiaries and their respective Representatives of the prohibitions set out in this Article 5 and any violation of the restrictions set forth in this Section 5.1 by the Company, its Subsidiaries or their respective Representatives shall be deemed to be a breach of this Section 5.1 by the Company.

Article 6
CONDITIONS

Section 6.1 Mutual Conditions Precedent.

The respective obligations of the Parties to complete the Arrangement are subject to the satisfaction, or mutual waiver by the Parties, on or before the Effective Date, of each of the following conditions, each of which are for the mutual benefit of the Parties and which may be waived, in whole or in part, by the mutual consent of the Parties:

(1) *Resolution*. The Resolution shall have been approved and adopted by the Company Floating Shareholders at the Meeting in accordance with the Interim Order and applicable Law.

(2) *Court Orders*. Each of the Interim Order and the Final Order shall have been obtained on terms consistent with this Agreement, and shall not have been set aside or modified in a manner unacceptable to either the Company, the Purchaser or Canopy, each acting reasonably, on appeal or otherwise.

(3) *Approvals*. All Arrangement Regulatory Approvals shall have been obtained or received on terms that are acceptable to the Parties, each acting reasonably.

(4) *Illegality*. No Law shall be in effect or proceeding shall have otherwise been taken that makes the consummation of the Arrangement illegal or otherwise, directly or indirectly, prohibits or enjoins the Company, the Purchaser or Canopy from implementing the Arrangement, with the exception of the Controlled Substances Act, 21 USC 801 et seq., as it applies to marijuana (including any implementing regulations and schedules in effect at the relevant time) or any other U.S. federal law the violation of which is predicated upon a violation of the Controlled Substances Act as it applies to marijuana.

(5) *US Securities Law Matters*. The issuance of the Issued Securities to be issued pursuant to the Arrangement shall be exempt from the registration requirements of the U.S. Securities Act pursuant to Section 3(a)(10) thereof and pursuant to exemptions from applicable state securities Laws, provided, however, that the Company shall be not entitled to the benefit of the conditions in this Section 6.1(5), and shall be deemed to have waived such condition, in the event that the Company fails to: (A) advise the Court prior to the hearing in respect of the Interim Order that the Parties intend to rely on the exemption from registration afforded by Section 3(a)(10) of the U.S. Securities Act based on the Court's approval of the Arrangement; or (B) comply with the requirements set forth in Section 2.10.

(6) *Company Fixed Share Acquisition*. All conditions precedent to completion of the transactions contemplated by the Company Fixed Share Acquisition shall have been satisfied or, if permitted, waived (excluding conditions that by their terms cannot be satisfied until the Acquisition Effective Time (as defined in the Existing Agreement)).

(7) *Termination*. This Agreement shall not have been terminated in accordance with its terms.

Section 6.2 Additional Conditions Precedent to the Obligations of the Purchaser and Canopy.

(1) The obligation of the Purchaser and Canopy to complete the Arrangement will be subject to the satisfaction, or waiver by the Purchaser and Canopy, on or before the Effective Date, of each of the following conditions, each of which is for the exclusive benefit of the Purchaser and Canopy and which may be waived by the Purchaser and Canopy at any time, in whole or in part, in their sole discretion and without prejudice to any other rights that the Purchaser and Canopy may have:

(a) *Performance of Covenants*. The Company shall have fulfilled or complied with each of the obligations and covenants of the Company contained in this Agreement to be fulfilled or complied with by it on or prior to the Effective Time, except where any failure to perform any such obligations or covenants would not, individually or in the aggregate, be reasonably expected to have a material adverse impact on the Company, and the Company shall have delivered a certificate confirming same to the Purchaser and Canopy, executed by two senior officers of the Company (in each case without personal liability) addressed to the Purchaser and Canopy and dated the Effective Date.

(b) *Representations and Warranties*. The representations and warranties of the Company shall have been true and correct as of the date of this Agreement and shall be true and correct as of the Effective Time, except where any failure or failures of such representations and warranties to be true and correct would not, individually or in the aggregate, reasonably be expected to result in a Company Material Adverse Effect (disregarding any materiality or "Company Material Adverse Effect" qualification contained in any such representation and warranty for the purpose of determining whether any such failure or failures would not, individually or in the aggregate, reasonably be expected to result in a Company Material Adverse Effect), in each case except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of such specified date, and the Company shall have delivered a certificate confirming same to the Purchaser and Canopy, executed by two senior officers of the Company (in each case without personal liability) addressed to the Purchaser and Canopy and dated the Effective Date.

(c) *Compliance with Laws*. The Company and each of its Subsidiaries shall be in compliance with all applicable Laws, in all material respects in each jurisdiction in which it carries on business, provided that the Company and each of its Subsidiaries shall be in compliance with all applicable Laws with respect to marijuana, except where any non-compliance would not have a material and adverse effect on the Company or any of its subsidiaries, except that, the Company and each of its Subsidiaries shall not be required to be in compliance with the Controlled Substances Act, 21 USC 801 et seq., as it applies to marijuana (including any implementing regulations and schedules in effect at the relevant time) or any other U.S. federal law the violation of which is predicated upon a violation of the Controlled Substances Act as it applies to marijuana.

(d) *USCo2 Constating Documents.* The USCo2 Constating Documents shall have been amended in accordance with the amendments set forth in Schedule D hereto.

(e) *Pre-Acquisition Reorganizations*. Subject to Section 4.3, the Company shall have completed such Pre-Acquisition Reorganizations as may have been requested by the Purchaser or Canopy in accordance with Section 4.3.

(f) *Dissent Rights*. Dissent Rights shall not have been exercised with respect to more than 5.0% of the issued and outstanding Company Floating Shares.

(2) If at any time prior to the Effective Time the Purchaser or Canopy becomes aware of the occurrence, or failure to occur, of any event or state of facts which occurrence or failure results in the failure of the ability of the Company to satisfy any condition set forth in Section 6.2(1), the Purchaser or Canopy, as applicable, must promptly notify the Company of such occurrence, or failure to occur in accordance with Section 4.5, which notification must specify in reasonable detail such event or state of facts.

Section 6.3 Additional Conditions Precedent to the Obligations of the Company.

(1) The obligation of the Company to complete the Arrangement will be subject to the satisfaction, or waiver by the Company, on or before the Effective Date, of each of the following conditions, each of which is for the exclusive benefit of the Company and which may be waived by the Company at any time, in whole or in part, in its sole discretion and without prejudice to any other rights that the Company may have:

(a) *Performance of Covenants*. Each of the Purchaser and Canopy shall have fulfilled or complied in all material respects with its obligations and covenants in this Agreement to be fulfilled or complied with by it on or prior to the Effective Time, and shall have delivered a certificate confirming same to the Company, executed by two senior officers of the Purchaser and Canopy (in each case without personal liability) addressed to the Company and dated as of the Effective Date.

(b) *Representations and Warranties*. The representations and warranties of the Purchaser and Canopy shall have been true and correct as of the date of this Agreement and shall be true and correct as of the Effective Time, except where any failure or failures of such representations and warranties to be true and correct would not, individually or in the aggregate, reasonably be expected to result in a Canopy Material Adverse Effect (disregarding any materiality or "Canopy Material Adverse Effect" qualification contained in any such representation and warranty for the purpose of determining whether any such failure or failures would not, individually or in the aggregate, reasonably be expected to result in a Canopy Material Adverse Effect), except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of such specified date, and each of the Purchaser and Canopy shall have delivered a certificate confirming same to the Company, executed by two senior officers of the Purchaser and Canopy, (in each case without personal liability) addressed to the Company and dated the Effective Date.

(c) *Deposit of Consideration*. Canopy shall have deposited or caused to be deposited with the Depositary in escrow, the Consideration Shares to be issued pursuant to the Arrangement.

(d) *Completion of Canopy Capital Reorganization*. The completion of the Canopy Capital Reorganization shall occur no later than the Exercise Outside Date.

(2) If at any time prior to the Effective Time the Company becomes aware of the occurrence, or failure to occur, of any event or state of facts which occurrence or failure results in the failure of the ability of the Purchaser or Canopy to satisfy any condition set forth in Section 6.3(1), the Company must promptly notify Canopy of such occurrence, or failure to occur in accordance with Section 4.5, which notification must specify in reasonable detail such event or state of facts.

Article 7
TERM AND TERMINATION

Section 7.1 Term.

This Agreement shall be effective from the date hereof until the earlier of (i) the Effective Time; and (ii) the termination of this Agreement in accordance with its terms.

Section 7.2 Termination of this Agreement.

(1) This Agreement may be terminated prior to the Effective Time by:

(a) the mutual written agreement of the Company and Canopy;

(b) either the Company or Canopy if the Required Shareholder Approval is not obtained at the Meeting in accordance with the Interim Order, provided that a Party may not terminate this Agreement pursuant to this Section 7.2(1)(b)if the failure to obtain the Required Shareholder Approval has been caused by, or is a result of, a breach by such Party of any of its representations or warranties under this Agreement or the failure of such Party to perform any of its covenants or agreements under this Agreement;

(c) either the Company or Canopy if the Arrangement has not been completed prior to the Outside Date, provided that a Party may not terminate this Agreement pursuant to this Section 7.2(1)(c) if the failure of the Effective Time to so occur has been caused by, or is a result of, a breach by such Party of any of its representations or warranties under this Agreement or the failure of such Party to perform any of its covenants or agreements under this Agreement; and further provided that:

(i) Canopy may only terminate this Agreement pursuant to this Section 7.2(1)(c) on the basis that a Purchaser Acquisition Closing Condition (as such term is defined in the Existing Agreement) has not been satisfied if Canopy has provided the Company with an irrevocable written notice that it has determined not to close the Acquisition (as such term is defined in the Existing Agreement) pursuant to Section 6.2(2) of the Existing Agreement on the basis that such Purchaser Acquisition Closing Condition has not been satisfied;

(ii) the Company may only terminate this Agreement pursuant to this Section 7.2(1)(c) on the basis that a Company Acquisition Closing Condition (as such term is defined in the Existing Agreement) has not been satisfied if the Company has provided Canopy with an irrevocable written notice that it has determined not to close the Acquisition pursuant to Section 6.3(2) of the Existing Agreement on the basis that such Company Acquisition Closing Condition has not been satisfied;

(iii) for greater certainty, Canopy may terminate this Agreement pursuant to this Section 7.2(1)(c) in the event of a breach by the Company of any of its representations or warranties under this Agreement or the failure of the Company to perform any of its covenants or agreements under this Agreement, other than pursuant to Section 6.1(6), which results in the Arrangement not being completed prior to the Outside Date without providing the Company with an irrevocable written notice that it has determined not to close the Acquisition pursuant to Section 6.2(2) of the Existing Agreement; and

(iv) for greater certainty, the Company may terminate this Agreement pursuant to this Section 7.2(1)(c) in the event of a breach by Canopy of any of its representations or warranties under this Agreement or the failure of Canopy to perform any of its covenants or agreements under this Agreement, other than pursuant to Section 6.1(6), which results in the Arrangement not being completed prior to the Outside Date without providing Canopy with an irrevocable written notice that it has determined not to close the Acquisition pursuant to Section 6.3(2) of the Existing Agreement.

(d) the Company if:

(i) the Canopy Call Option Exercise Notice has not been delivered to the Depositary prior to the Exercise Outside Date;

(ii) the Company Board approves and authorizes the Company to enter into a binding written agreement with respect to a Superior Proposal (other than an Acceptable Confidentiality Agreement permitted by Section 5.1(6)(d)), subject to compliance with Section 5.1(7) in all material respects and provided, however, that no termination under this Section 7.2(d)(ii) shall be effective unless and until the Company shall have paid to the Purchaser the amount required to be paid pursuant to Section 8.2;

(iii) the Canopy Capital Reorganization is not completed by the Exercise Outside Date; or

(iv) a breach of any representation or warranty or failure to perform any covenant or agreement on the part of the Purchaser or Canopy under this Agreement occurs that would cause any condition in Section 6.3(1) not to be satisfied, and such breach or failure is incapable of being cured or is not cured on or prior to the Outside Date; provided that the Company is not then in breach of this Agreement so as to directly or indirectly cause any condition in Section 6.2(1) not to be satisfied.

(e) Canopy if:

(i) the Company Board or any committee of the Company Board (A) fails to unanimously (with directors abstaining or recusing themselves as required by Law) recommend or withdraws, amends, modifies or qualifies, or publicly proposes or states an intention to withdraw, amend, modify or qualify, the Board Recommendation, (B) accepts, approves, endorses or recommends, or publicly proposes to accept, approve, endorse or recommend or takes no position or a neutral position, in each case with respect to a publicly announced, or otherwise publicly disclosed, Acquisition Proposal for more than five Business Days, (C) accepts, approves, endorses, recommends or executes or enters into (other than an Acceptable Confidentiality Agreement permitted by and in accordance with Section 5.1) or publicly proposes to accept, approve, endorse, recommend or execute or enter into any agreement, letter of intent, understanding or arrangement relating to an Acquisition Proposal or any proposal or offer that could reasonably be expected to lead to an Acquisition Proposal, or (D) the Company or the Company Board publicly proposed or announces its intention to do any of the foregoing, (collectively, a "**Change in Recommendation**"); or

(ii) a breach of any representation or warranty or failure to perform any covenant or agreement on the part of the Company under this Agreement occurs that would cause any condition in Section 6.2(1) not to be satisfied, and such breach or failure is incapable of being cured on or prior to the Outside Date; provided that Canopy is not then in breach of this Agreement so as to directly or indirectly cause any condition in Section 6.3(1) not to be satisfied.

(2) The Party desiring to terminate this Agreement pursuant to this Section 7.2 (other than pursuant to Section 7.2(1)(a)) shall give written notice of such termination to the other Parties, specifying in reasonable detail the basis for such Party's exercise of its termination right.

Section 7.3 Effect of Termination/Survival of this Agreement.

If this Agreement is terminated or is no longer in effective pursuant to Section 7.2, this Agreement shall become void and of no further force or effect without liability of any Party (or any shareholder, director, officer, employee, agent, consultant or representative of such Party) to any other Parties to this Agreement, except that this Section 7.3, Section 7.4 and Section 9.2 through to and including Section 9.16 shall survive; and provided further that no Party shall be relieved of any liability for any wilful and material breach by it of this Agreement. Notwithstanding anything to the contrary contained in this Agreement, the Confidentiality Agreement shall survive any termination of this Agreement.

Section 7.4 Expenses.

(1) Subject to Section 4.3(4) and Section 9.3, all out-of-pocket third-party transaction expenses incurred in connection with this Agreement and the Plan of Arrangement and the transactions contemplated hereunder and thereunder, including all costs, expenses and fees of a Party incurred prior to or after the Effective Time in connection with, or incidental to, the Plan of Arrangement, shall be paid by the Party incurring such expenses, whether or not the Arrangement is implemented.

(2) The Company confirms that other than the fees disclosed to Canopy in Section 7.4(2) of the Company Disclosure Letter, no broker, finder or investment banker is or will be entitled to any brokerage, finder's or other fee or commission in connection with the transactions contemplated by this Agreement.

Article 8
ADDITIONAL AGREEMENTS

Section 8.1 Waiver of Floating Call Option

By its execution of this Agreement, Canopy hereby irrevocably waives its rights now and in the future under the Existing Arrangement to exercise the Floating Call Option.

Section 8.2 Treatment of Expenses for Financial Covenants

From the date hereof until the date of exercise by Canopy of the Canopy Call Option, all fees and expenses incurred by the Company and its Subsidiaries in connection with the transactions contemplated herein and in the Arrangement, including (without limitation) all fees and expenses incurred in procuring amendments to High Street's and USCo2's Constating Documents and termination of High Street's tax receivable agreement shall constitute non-recurring expenses for purposes of the "Consolidated EBITDA" definition and Section 2.5 of the Second Amendment to the Existing Agreement for all applicable measurement periods prior to the date on which the Canopy Call Option is exercised.

Section 8.3 Prohibition on Direct Investments in Purchaser

The Purchaser and Canopy covenant and agree in favour of the Company that: (a) from the date hereof until and including the Effective Date, each shall procure that: (a) neither CBG, Greenstar nor any of their affiliates (other than Canopy) shall be permitted to invest directly in the Purchaser; and (b) any investment by either of them, intended for the benefit of the Purchaser, shall be made directly into Canopy.

Article 9
GENERAL PROVISIONS

Section 9.1 Amendments.

This Agreement and the Plan of Arrangement may, at any time and from time to time before or after the holding of the Meeting but not later than the Effective Time, be amended, subject to the Plan of Arrangement, the Interim Order and the Final Order, by mutual written agreement of the Parties, and any such amendment may, without limitation:

(a) change the time for performance of any of the obligations or acts of the Parties;

(b) waive any inaccuracies or modify any representation or warranty contained in this Agreement or in any document delivered pursuant to this Agreement;

(c) waive compliance with or modify any of the covenants contained in this Agreement and waive or modify performance of any of the obligations of the Parties pursuant to this Agreement; and/or

(d) waive compliance with or modify any mutual conditions contained in this Agreement.

Section 9.2 Termination Fees

(1) For the purposes of this Agreement, "**Termination Fee**" means $3,000,000.

(2) "**Termination Fee Event**" means the termination of this Agreement:

(a) by Canopy, pursuant to Section 7.2(1)(e)(i) [*Change in Recommendation*];

(b) by the Company pursuant to Section 7.2(1)(d)(ii) [*Superior Proposal*];

(c) by the Company or the Purchaser pursuant to Section 7.2(1)(b) [*Failure to Obtain Required Shareholder Approval*] or Section 7.2(1)(c) [*Outside Date*], if:

(i) prior to such termination, an Acquisition Proposal is publicly announced or otherwise publicly disclosed by any Person (other than the Purchaser or any of its affiliates) or any Person (other than the Purchaser or any of its affiliates) shall have publicly announced an intention to make an Acquisition Proposal; and

(ii) within 12 months following the date of such termination, (A) an Acquisition Proposal (whether or not such Acquisition Proposal is the same Acquisition Proposal referred to in clause (i) above) is consummated by the Company, or (B) the Company or one or more of its Subsidiaries, directly or indirectly, in one or more transactions, enters into a definitive agreement in respect of an Acquisition Proposal and such Acquisition Proposal is later consummated (whether or not within 12 months after such termination).

For purposes of the foregoing, the term "Acquisition Proposal" shall have the meaning assigned to such term in Section 1.1 except that references to "20% or more" shall be deemed to be references to 50% or more.

(3) The Termination Fee shall be paid by the Company to the Purchaser as follows, by wire transfer of immediately available funds to an account designated by the Purchaser, if a Termination Fee Event occurs due to:

(a) a termination of this Agreement described in Section 9.2(2)(b) concurrently with the termination of this Agreement;

(b) a termination of this Agreement described in Section 9.2(2)(a), within two Business Days of the occurrence of such Termination Fee Event; and

(c) a termination of this Agreement described in Section 9.2(2)(c), on or prior to consummation of the Acquisition Proposal of the Company referred to in Section 9.2(2)(c).

(4) Each of the Parties acknowledges that the agreements contained in this Section 9.2 are an integral part of the transactions contemplated by this Agreement, and that without these agreements the Parties would not enter into this Agreement, and that the amounts set out in this Section 9.2 represent liquidated damages which are a genuine pre-estimate of the damages, including opportunity costs, which the Parties will suffer or incur as a result of the event giving rise to such damages and resultant termination of this Agreement, and is not a penalty. Each of the Parties irrevocably waives any right it may have to raise as a defense that any such liquidated damages are excessive or punitive.

(5) Subject to Section 7.3, Canopy hereby expressly acknowledges and agrees that, upon any termination of this Agreement under circumstances where Canopy is entitled to the Termination Fee and such Termination Fee is paid in full within the prescribed time period, Canopy shall be precluded from any other remedy against the Company or its Subsidiaries and shall not seek to obtain any recovery, judgment or damages of any kind against the Company or its Subsidiaries in connection with this Agreement.

Section 9.3 Expense Reimbursement.

(1) In the event that the Canopy Capital Reorganization is not completed prior to the Exercise Outside Date or that CBG or Greenstar do not exchange of all Canopy Shares held by CBG and Greenstar into the Exchangeable Canopy Shares prior to the Exercise Outside Date, Canopy shall be obliged to forthwith, and in any event within 2 Business Days following the Exercise Outside Date, pay the Purchaser Expense Reimbursement to the Company.

(2) The payment of the Purchaser Expense Reimbursement pursuant to either Section 9.3(1) shall not preclude the Company from seeking damages and pursuing any and all other remedies that it may have in respect of losses incurred or suffered by it as a result of breach by Canopy or the Purchaser, as applicable, of any representation or warranty, or failure by Canopy or the Purchaser, as applicable, to perform any covenant or satisfy any condition.

Section 9.4 Notices.

Any notice, or other communication given regarding the matters contemplated by this Agreement (must be in writing, sent by personal delivery, courier or electronic mail) and addressed:

(a) to the Purchaser at:

Canopy Growth Corporation
1 Hershey Drive
Smiths Falls, Ontario K7A 0A8

Attention: Christelle Gedeon
Email: **[PERSONAL INFORMATION REDACTED]**

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

Cassels Brock & Blackwell LLP
Suite 2100, Scotia Plaza
40 King Street West
Toronto, Ontario M5H 3C2

Attention: Jonathan Sherman and Jamie Litchen
Email: jsherman@cassels.com and jlitchen@cassels.com

(b) to the Purchaser at:

Canopy USA, LLC
35715 Hwy 40, Ste D102
Evergreen, Colorado 80439

Attention: Legal
Email: **[PERSONAL INFORMATION REDACTED]**

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

Cassels Brock & Blackwell LLP
Suite 2100, Scotia Plaza
40 King Street West
Toronto, Ontario M5H 3C2

Attention: Jonathan Sherman and Jamie Litchen
Email: jsherman@cassels.com and jlitchen@cassels.com

(c) to the Company at:

Acreage Holdings, Inc.
366 Madison Avenue, 11th Floor
New York, New York 10017

Attention: Peter Caldini, Chief Executive Officer
Email: **[PERSONAL INFORMATION REDACTED]**

with copies (which shall not constitute notice) to:

DLA Piper (Canada) LLP
Suite 6000, 1 First Canadian Place
Toronto, Ontario M5X 1E2

Attention: Robert Fonn and Russel W. Drew
Email: robert.fonn@dlapiper.com and russel.drew@dlapiper.com

and

Cozen O'Connor
One Liberty Place, 1650 Market Street Suite 2800
Philadelphia, Pennsylvania 19103

Attention: Joseph C. Bedwick
Email: JBedwick@cozen.com

Any notice or other communication is deemed to be given and received (i) if sent by personal delivery, same day courier or electronic mail, on the date of delivery if it is a Business Day and the delivery was made prior to 4:00 p.m. (local time in place of receipt) and otherwise on the next Business Day or (ii) if sent by overnight courier, on the next Business Day. A Party may change its address for service from time to time by providing a notice in accordance with the foregoing. Any subsequent notice or other communication must be sent to the Party at its changed address. Any element of a Party's address that is not specifically changed in a notice will be assumed not to be changed. Sending a copy of a notice or other communication to a Party's legal counsel as contemplated above is for information purposes only and does not constitute delivery of the notice or other communication to that Party. The failure to send a copy of a notice or other communication to legal counsel does not invalidate delivery of that notice or other communication to a Party.

Section 9.5 Time of the Essence.

Time is of the essence in this Agreement.

Section 9.6 Injunctive Relief.

The Parties agree that irreparable harm would occur for which money damages would not be an adequate remedy at law in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the Parties shall be entitled to specific performance and injunctive and other equitable relief to prevent breaches of this Agreement, and to enforce compliance with the terms of this Agreement without any requirement for the securing or posting of any bond in connection with the obtaining of any such injunctive or other equitable relief, this being in addition to any other remedy to which the Parties may be entitled at law or in equity.

Section 9.7 Third Party Beneficiaries.

The Company, the Purchaser and Canopy intend that this Agreement will not benefit or create any right or cause of action in favour of any Person, other than the Parties and that no Person, other than the Parties, shall be entitled to rely on the provisions of this Agreement in any action, suit, proceeding, hearing or other forum.

Section 9.8 Waiver.

No waiver of any of the provisions of this Agreement will constitute a waiver of any other provision (whether or not similar). No waiver will be binding unless executed in writing by the Party to be bound by the waiver. A Party's failure or delay in exercising any right under this Agreement will not operate as a waiver of that right. A single or partial exercise of any right will not preclude a Party from any other or further exercise of that right or the exercise of any other right.

Section 9.9 Entire Agreement.

This Agreement, including the Schedules hereto and the Confidentiality Agreement constitute the entire agreement between the Parties with respect to the transactions contemplated by this Agreement and supersedes all prior agreements, understandings, negotiations and discussions with respect to such transactions, whether oral or written, of the Parties. There are no representations, warranties, covenants, conditions or other agreements, express or implied, collateral, statutory or otherwise, between the Parties in connection with the subject matter of this Agreement, except as specifically set forth in this Agreement and the Confidentiality Agreement. The Parties have not relied and are not relying on any other information, discussion or understanding in entering into and completing the transactions contemplated by this Agreement.

Section 9.10 Successors and Assigns.

(1) This Agreement becomes effective only when executed by the Company, the Purchaser and Canopy. After that time, it will be binding upon and enure to the benefit of the Company, the Purchaser, Canopy and their respective successors and permitted assigns.

(2) Neither this Agreement nor any of the rights or obligations under this Agreement are assignable or transferable by any Party without the prior written consent of the other Parties.

Section 9.11 Severability.

If any provision of this Agreement is determined to be illegal, invalid or unenforceable by an arbitrator or any court of competent jurisdiction, that provision will be severed from this Agreement and the remaining provisions shall remain in full force and effect. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in an acceptable manner to the end that the transactions contemplated hereby are fulfilled to the fullest extent possible.

Section 9.12 Governing Law.

(1) This Agreement will be governed by and interpreted and enforced in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

(2) The Parties irrevocably attorn and submit to the exclusive jurisdiction of the British Columbia courts situated in the City of Vancouver and waive objection to the venue of any proceeding in such court or that such court provides an inconvenient forum.

Section 9.13 Rules of Construction.

The Parties waive the application of any Law or rule of construction providing that ambiguities in any agreement or other document shall be construed against the Party drafting such agreement or other document.

Section 9.14 No Personal Liability.

No director or officer of the Purchaser, Canopy or any of their respective Subsidiaries shall have any personal liability whatsoever to the Company under this Agreement or any other document delivered in connection with the transactions contemplated hereby on behalf of the Purchaser, Canopy or any of their respective Subsidiaries. No director or officer of the Company or any of its Subsidiaries shall have any personal liability whatsoever to the Purchaser or Canopy under this Agreement or any other document delivered in connection with the transactions contemplated hereby on behalf of the Company or any of its Subsidiaries.

Section 9.15 Language.

The Parties expressly acknowledge that they have requested that this Agreement and all ancillary and related documents thereto be drafted in the English language only. Les parties aux présentes reconnaissent avoir exigé que la présente entente et tous les documents qui y sont accessoires soient rédigés en anglais seulement.

Section 9.16 Counterparts.

This Agreement may be executed in any number of counterparts (including counterparts delivered by facsimile) and all such counterparts taken together shall be deemed to constitute one and the same instrument. The Parties shall be entitled to rely upon delivery of an executed facsimile or similar executed electronic copy of this Agreement, and such facsimile or similar executed electronic copy shall be legally effective to create a valid and binding agreement between the Parties.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF the Parties have executed this Arrangement Agreement.

CANOPY USA, LLC

Per: */s/ David Klein*
Authorized Signing Officer
I have authority to bind the company.

CANOPY GROWTH CORPORATION

Per: */s/ Christelle Gedeon*
Authorized Signing Officer
I have authority to bind the company.

ACREAGE HOLDINGS, INC.

Per: */s/ Peter Caldini*
Authorized Signing Officer
I have authority to bind the company.

Schedule A

PLAN OF ARRANGEMENT

See attached.

PLAN OF ARRANGEMENT UNDER DIVISION 5 OF PART 9
OF THE *BUSINESS CORPORATIONS ACT* (BRITISH COLUMBIA)

INTERPRETATION

Certain Rules of Interpretation.

Unless indicated otherwise, where used in this Plan of Arrangement, capitalized terms used but not defined shall have the meanings ascribed thereto in the Arrangement Agreement and the following terms shall have the following meanings (and grammatical variations of such terms shall have corresponding meanings):

"**affiliate**" has the meaning specified in National Instrument 45-106 – *Prospectus Exemptions*.

"**Alternate Consideration**" has the meaning specified in Section 2.13 of the Arrangement Agreement.

"**Amended Equity Incentive Plan**" means the Company's amended and restated omnibus equity plan approved by shareholders of the Company on September 16, 2020.

"**Arrangement**" means an arrangement under Section 288 of the BCBCA on the terms and subject to the conditions set out in this Plan of Arrangement, subject to any amendments or variations to this Plan of Arrangement made in accordance with the terms of the Arrangement Agreement or Section 6.1 of this Plan of Arrangement or made at the direction of the Court in the Final Order with the prior written consent of the Company, Canopy and the Purchaser, each acting reasonably.

"**Arrangement Agreement**" means the arrangement agreement dated as of October 24, 2022 among the Purchaser, Canopy and the Company, including the schedules and exhibits thereto, as the same may be further amended, supplemented or restated.

"**BCBCA**" means the *Business Corporations Act* (British Columbia).

"**Business Day**" means any day of the year, other than a Saturday, Sunday or any day on which major banks are generally closed for business in Vancouver, British Columbia.

"**Canopy**" means Canopy Growth Corporation, a corporation organized under the federal laws of Canada.

"**Canopy Call Option Exercise Notice**" means a notice in writing, substantially in the form attached as Exhibit C to the Existing Plan of Arrangement, delivered by Canopy to the Company (with a copy to the Depositary) stating that Canopy is exercising its rights embedded in the special rights and restrictions of the Company Fixed Shares to acquire the Company Fixed Shares on the terms set forth therein.

"**Canopy Change of Control**" means any business consolidation, amalgamation, arrangement, merger, redemption, compulsory acquisition or similar transaction pursuant to which 100% of the shares or all or substantially all of the assets of Canopy are transferred, sold or conveyed, directly or indirectly, to any other Person or group of Persons, acting jointly or in concert.

"**Canopy Equity Incentive Plan**" means the Amended and Restated Omnibus Incentive Plan of Canopy as approved by shareholders of Canopy on September 21, 2020, as the same may be amended, supplemented or restated in accordance therewith, prior to the Effective Time.

"**Canopy Shares**" means the common shares in the capital of Canopy.

"**Canopy Share Consideration**" means that number of Canopy Shares issuable per Company Floating Share in accordance with Section 3.2(b) of this Plan of Arrangement and based on the Exchange Ratio; provided that the number of Canopy Shares to be issued pursuant to the Arrangement shall not exceed the Canopy Share Maximum.

"**Canopy Share Maximum**" means 70,713,995 Canopy Shares.

"**Circular**" means the notice of the Meeting and accompanying proxy statement, including all schedules, appendices and exhibits to, and information incorporated by reference in, such proxy statement, sent to the Company Floating Shareholders in connection with the Meeting.

"**Common Membership Units**" means the common membership units of High Street outstanding from time to time, other than common membership units held by Acreage Holdings America, Inc. and USCo2.

"**Company**" means Acreage Holdings, Inc., a corporation organized under the BCBCA and treated as a "domestic corporation" for U.S. federal income tax purposes.

"**Company Executives**" means each officer of the Company as at the Effective Time required to resign upon consummation of the Existing Arrangement pursuant to the Existing Plan of Arrangement which, as of the date here of are: Peter Caldini, Steve Goertz, Corey Sheahan. Bryan Murray, Dennis Curran and Patricia Rosi.

"**Company Fixed Shares**" means the shares of the Company designated as Class E subordinate voting shares, each entitling the holder thereof to one vote per share at shareholder meetings of the Company.

"**Company Floating Option In-The-Money-Amount**" in respect of a Company Floating Option means the amount, if any, determined immediately before the Effective Time, by which the total Fair Market Value of the Company Floating Shares that a holder is entitled to acquire on exercise of the Company Floating Option, exceeds the aggregate exercise price payable to acquire such Company Floating Shares at that time.

"**Company Floating Optionholder**" means a holder of Company Floating Options.

"**Company Floating Options**" means the options to purchase Company Floating Shares issued pursuant to the Amended Equity Incentive Plan prior to the Effective Time, which are outstanding as of the Effective Time.

"**Company Floating Share Unit Holders**" means the holders of Company Floating Share Units.

"**Company Floating Share Units**" means the restricted share units, performance shares and performance units that may be settled by the Company in either cash or Company Floating Shares which are outstanding as of the Effective Time.

"**Company Floating Shareholder**" means a registered or beneficial holder of one or more Company Floating Shares, as the context requires.

"**Company Floating Shares**" means the shares of the Company designated as Class D subordinate voting shares, each entitling the holder thereof to one vote per share at shareholder meetings of the Company.

"**Company Floating Warrants**" means the warrants and compensation options of the Company to acquire Company Floating Shares which are outstanding as of the Effective Time.

"**Company Floating Warrant Holder**" means a holder of one or more Company Floating Warrants.

"**Consideration Shares**" means the Canopy Shares to be received by Company Floating Shareholders (other than the Purchaser, Canopy and their respective affiliates) pursuant to Section 3.2(b) of this Plan of Arrangement.

"**Court**" means the Supreme Court of British Columbia.

"**CSE**" means Canadian Securities Exchange.

"**Depositary**" means Computershare Investor Services Inc., or any other depositary or trust company, bank or financial institution as the Purchaser and Canopy may appoint to act as depositary with the approval of the Company, acting reasonably, for the purpose of, among other things, exchanging certificates representing Company Floating Shares for Consideration Shares in connection with the Arrangement.

"**Dissent Rights**" has the meaning specified in Section 4.1 of this Plan of Arrangement.

"**Dissenting Company Floating Shareholder**" means a registered holder of Company Floating Shares who has properly exercised its Dissent Rights in respect of the Resolution in accordance with Section 4.1 of this Plan of Arrangement and has not withdrawn or been deemed to have withdrawn such exercise of Dissent Rights and who is ultimately determined to be entitled to be paid the fair value of his, her or its Company Floating Shares.

"**Dissenting Shares**" means the Company Floating Shares held by Dissenting Company Floating Shareholders in respect of which such Dissenting Company Floating Shareholders have given Notice of Dissent.

"**Effective Date**" means the date designated by Canopy, the Purchaser and the Company by notice in writing as the effective date of the Arrangement, after the satisfaction or waiver (subject to applicable Laws) of all of the conditions to completion of the Arrangement as set forth in the Arrangement Agreement (excluding conditions that by their terms cannot be satisfied until the Effective Date) and delivery of all documents agreed to be delivered thereunder to the satisfaction of the parties thereto, acting reasonably, and in the absence of such agreement, three Business Days following the satisfaction or waiver (subject to applicable Laws) of all conditions to completion of the Arrangement as set forth in the Arrangement Agreement (excluding conditions that by their terms cannot be satisfied until the Effective Date; provided that the Effective Date shall be the same Business Day as the Acquisition Date (as defined in the Existing Plan of Arrangement), being the date that Canopy acquires the Company Fixed Shares pursuant to the Existing Plan of Arrangement.

"**Effective Time**" means 12:00 a.m. (Vancouver time) on the Effective Date, or such other time on the Effective Date as the Parties agree to in writing before the Effective Date.

"**Exchange Ratio**" means 0.4500 of a Canopy Share to be issued for each Company Floating Share exchanged pursuant to the Arrangement.

"**Executive Company Floating Options**" has the meaning specified in Section 3.2(c)(ii) hereof.

"**Executive Company Floating Share Units**" has the meaning specified in Section 3.2(e)(ii) hereof;

"**Existing Agreement**" means the arrangement agreement dated as of April 18, 2019, as amended on May 15, 2019, September 23, 2020 and November 17, 2020, between Canopy and the Company, including the schedules and exhibits thereto, as the same may be further amended, supplemented or restated.

"**Existing Plan of Arrangement**" means the plan of arrangement set out in the Existing Agreement implemented on September 23, 2020 under Section 288 of the *Business Corporations Act* (British Columbia) involving the Company and Canopy.

"**Fair Market Value**" means (i) in respect of the Company Floating Shares, the volume weighted average trading price of the applicable share on the CSE (or other recognized stock exchange on which the applicable shares are primarily traded as determined by volume); and (ii) in respect of the Canopy Shares, the volume weighted average trading price of the Canopy Shares on the Nasdaq (or other recognized stock exchange on which the Canopy Shares are primarily traded if not then traded on the Nasdaq, as determined by volume, and denominated in US$), in each case, for the five trading day period immediately prior to the Effective Date.

"**Final Order**" means the final order of the Court approving the Arrangement under Section 291 of the BCBCA, in a form acceptable to the Company, the Purchaser and Canopy, each acting reasonably, after a hearing upon the procedural and substantive fairness of the terms and conditions of the Arrangement, as such order may be amended by the Court (with the consent of the Company, the Purchaser and Canopy, each acting reasonably) at any time prior to the Effective Time or, if appealed, then, unless such appeal is withdrawn or denied, as affirmed or as amended (provided that any such amendment is acceptable to the Company, the Purchaser and Canopy, each acting reasonably) on appeal.

"**Governmental Entity**" means (i) any international, multinational, national, federal, provincial, state, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitral body, commission, commissioner, board, bureau, ministry, agency or instrumentality, domestic or foreign, (ii) any subdivision or authority of any of the above, (iii) any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing, or (iv) any stock exchange.

"**High Street**" means High Street Capital Partners, LLC.

"**High Street Holders**" means the holders of Common Membership Units and vested Class C-1 Membership Units (as defined in the Third Amended and Restated Limited Liability Company Agreement of High Street, as may be amended).

"**Interim Order**" means the interim order of the Court, to be issued following the application therefor contemplated by Section 2.2 of the Arrangement Agreement, after being informed of the intention of the Parties to rely upon the exemption from registration under U.S. Securities Act provided by Section 3(a)(10) of the U.S. Securities Act with respect to the issuance of the Issued Securities to be issued pursuant to the Arrangement in a form acceptable to the Company, the Purchaser and Canopy, each acting reasonably, providing for, among other things, the calling and holding of the Meeting, as such order may be amended by the Court with the consent of the Company, the Purchaser and Canopy, each acting reasonably.

"**Issued Securities**" means all securities to be issued pursuant to the Arrangement, including, for the avoidance of doubt, all Canopy Shares issued pursuant to Section 3.2(b) of this Plan of Arrangement, Replacement Options, Replacement Share Units and Replacement Warrants.

"**Law**" means, with respect to any Person, any and all applicable law (statutory, common or otherwise), constitution, treaty, convention, ordinance, code, rule, regulation, order, injunction, judgment, decree, official guidance, ruling or other similar requirement, whether domestic or foreign, enacted, adopted, promulgated or applied by a Governmental Entity that is binding upon or applicable to such Person or its business, undertaking, property or securities, and to the extent that they have the force of law, policies, guidelines, notices and protocols of any Governmental Entity, as amended.

"**Letter of Transmittal**" means the letter of transmittal to be sent by the Company to Company Floating Shareholders following the receipt by the Company of a Canopy Call Option Exercise Notice or Triggering Event Notice, as the case may be.

"**Lien**" means any mortgage, charge, pledge, hypothec, security interest, prior claim, encroachment, option, right of first refusal or first offer, occupancy right, covenant, assignment, lien (statutory or otherwise), defect of title, or restriction or adverse right or claim, or other third party interest or encumbrance of any kind, in each case, whether contingent or absolute.

"**Meeting**" means the special meeting of Company Floating Shareholders, including any adjournment or postponement of such special meeting in accordance with the terms of the Arrangement Agreement, to be called and held in accordance with the Interim Order to consider the Resolution.

"**Nasdaq**" means the Nasdaq Global Select Market.

"**Notice of Dissent**" means a notice of dissent duly and validly given by a registered holder of Company Floating Shares exercising Dissent Rights as contemplated in the Interim Order and as described in Article 4.

"**Parties**" means the Company, Canopy and the Purchaser and "**Party**" means any one of them.

"**Person**" includes any individual, partnership, association, body corporate, organization, trust, estate, trustee, executor, administrator, legal representative, government (including Governmental Entity), syndicate or other entity, whether or not having legal status.

"**Per Share Consideration**" means following a Canopy Change of Control, the Alternate Consideration that Company Floating Shareholders are entitled to receive in accordance with Section **[2.13]** of the Arrangement Agreement.

"**Plan of Arrangement**" means this plan of arrangement and any amendments or variations made in accordance with Section 6.1 of this Plan of Arrangement or made at the direction of the Court in the Final Order with the prior written consent of the Company, Canopy and the Purchaser, each acting reasonably.

"**Purchaser**" means Canopy USA, LLC, a limited liability company organized under the laws of the State of Delaware.

"**Registrar**" means the person appointed as the Registrar of Companies pursuant to Section 400 of the BCBCA.

"**Replacement Option**" means an option or right to purchase Canopy Shares granted by Canopy in exchange for Company Floating Options in accordance with Section 3.2(c) of this Plan of Arrangement.

"**Replacement Option In-The-Money Amount**" means, in respect of a Replacement Option, the amount, if any, determined immediately after the exchange in Section 3.2(c) of this Plan of Arrangement, by which the total Fair Market Value of the Canopy Shares that a holder is entitled to acquire on exercise of the Replacement Option exceeds the aggregate exercise price payable to acquire such Canopy Shares at that time.

"**Replacement Share Unit**" means a restricted share unit, performance share or performance unit that may be settled in cash or Canopy Shares granted by Canopy in exchange for Company Floating Share Units in accordance with Section 3.2(e) of this Plan of Arrangement.

"**Replacement Warrant**" means a warrant or right to purchase Canopy Shares granted by Canopy in replacement of Company Floating Warrants in accordance with Section 3.2(d) of this Plan of Arrangement.

"**Resolution**" means the special resolution approving this Plan of Arrangement to be considered at the Meeting, substantially in the form attached as Schedule B to the Arrangement Agreement, with such amendments or variations as the Court may direct in the Interim Order with the consent of the Company, Canopy and the Purchaser, each acting reasonably.

"**Tax Act**" means the *Income Tax Act* (Canada).

"**Triggering Event Date**" means the date federal laws in the United States are amended to permit the general cultivation, distribution and possession of marijuana (as defined in 21 U.S.C 802) or to remove the regulation of such activities from the federal laws of the United States.

"**Triggering Event Notice**" means a notice in writing, substantially in the form attached as Exhibit D to the Existing Plan of Arrangement, delivered by the Company to Canopy (with a copy to the Depositary) stating that the Triggering Event Date has occurred and specifying a Business Day (to be not less than 61 days and not more than 90 days following the date such Triggering Event Notice is delivered to Canopy) on which the closing of the purchase and sale of the Company Fixed Shares is to occur, subject to the satisfaction or waiver of the closing conditions set forth in the Existing Agreement.

"**TSX**" means the Toronto Stock Exchange.

"**United States**" and "**U.S.**" each mean the United States of America, its territories and possessions, any State of the United States and the District of Columbia.

"**US$**" means the lawful currency of the United States.

"**USCo2**" means Acreage Holdings WC Inc., a subsidiary of the Company.

"**USCo2 Class B Holders**" means the holders of USCo2 Class B Shares.

"**USCo2 Class B Shares**" means Class B non-voting common shares in the capital of USCo2 outstanding as of the date of the Arrangement Agreement.

"**U.S. Securities Act**" means the United States *Securities Act of 1933*, as amended, supplemented or restated from time to time and any successor to such statute, and the rules and regulations promulgated thereunder.

"**U.S. Tax Code**" means the United States *Internal Revenue Code of 1986*, as amended.

"**U.S. Treasury Regulations**" means the regulations promulgated under the U.S. Tax Code by the United States Department of the Treasury.

Certain Rules of Interpretation.

In this Plan of Arrangement, unless otherwise specified:

Headings, etc. The division of this Plan of Arrangement into Articles and Sections and the insertion of headings are for convenient reference only and do not affect the construction or interpretation of this Plan of Arrangement.

Currency. All references to dollars or to "**$**" are references to United States dollars.

Gender and Number. Any reference to gender includes all genders. Words importing the singular number only include the plural and vice versa.

Certain Phrases, etc. The words "including", "includes" and "include" mean "including (or includes or include) without limitation," and "the aggregate of", "the total of", "the sum of", or a phrase of similar meaning means "the aggregate (or total or sum), without duplication, of."

Statutes. Any reference to a statute refers to such statute and all rules and regulations made under it, as it or they may have been or may from time to time be amended or re- enacted, unless stated otherwise.

Computation of Time. A period of time is to be computed as beginning on the day following the event that began the period and ending at 4:30 p.m. on the last day of the period, if the last day of the period is a Business Day, or at 4:30 p.m. on the next Business Day if the last day of the period is not a Business Day. If the date on which any action is required or permitted to be taken under this Plan of Arrangement by a Person is not a Business Day, such action shall be required or permitted to be taken on the next succeeding day which is a Business Day.

Time References. References to time are to local time, Toronto, Ontario, unless otherwise indicated.

ARRANGEMENT AGREEMENT AND BINDING EFFECT

Arrangement Agreement.

This Plan of Arrangement is made pursuant to and subject to the provisions of the Arrangement Agreement, except in respect of the sequence of the transactions and events comprising the Arrangement, which shall occur in the order set forth herein.

Binding Effect.

As of and from the Effective Time, this Plan of Arrangement will be binding on: (i) the Company, (ii) Canopy, (iii) the Purchaser, (iv) the Depositary, (v) all registered and beneficial Company Floating Shareholders (including Dissenting Company Floating Shareholders), (vii) all High Street Holders and USCo2 Class B Holders, and (viii) all holders of Company Floating Options, Company Floating Share Units and Company Floating Warrants, in each case without any further act or formality required on the part of any Person.

Time of Arrangement.

The exchanges, issuances and cancellations provided for in Section 3.2 of this Plan of Arrangement shall be deemed to occur at the time and in the order specified in Section 3.2 of this Plan of Arrangement, notwithstanding that certain of the procedures related thereto are not completed until after such time.

No Impairment.

No rights of creditors against the property and interests of the Company will be impaired by the Arrangement.

THE ARRANGEMENT

Existing Plan of Arrangement.

The Company, Canopy and the Purchaser hereby acknowledge that pursuant to the terms of the Existing Plan of Arrangement, the provisions of Section 3.2(a) through 3.2(i) of the Existing Plan of Arrangement have already occurred and that the provisions of Section 3.2(j) through 3.2(n) of the Existing Plan of Arrangement (excluding Sections 3.2(k), 3.2(m), 3.2(n)(iv), 3.2(n)(x), 3.2(n)(xi) and 3.2(n)(xii)) shall occur one minute following the Effective Time.

Arrangement.

Commencing at the Effective Time, each of the transactions or events set out below shall occur and shall be deemed to occur in the following sequence, in each case without any further authorization, act or formality on the part of any Person, and in each case, unless otherwise specifically provided in this Section 3.2, effective as at two-second intervals starting at the Effective Time:

each Company Floating Share held by a Dissenting Company Floating Shareholder shall be, and shall be deemed to be, transferred to the Purchaser by the holder thereof, free and clear of all Liens, and thereupon:

each Dissenting Company Floating Shareholder shall cease to have any rights as a holder of such Company Floating Shares other than a claim against Canopy in an amount determined and payable in accordance with Article 4;

the name of such Dissenting Company Floating Shareholder shall be removed from the securities register for the Company Floating Shares; and

the Purchaser shall be deemed to be the transferee of such Dissenting Shares, free and clear of all Liens, and the Purchaser shall be entered in the Company's securities register for the Dissenting Shares as the legal owner of such transferred Dissenting Shares;

each Company Floating Share held by a Company Floating Shareholder (other than the Purchaser, Canopy or their respective affiliates) shall be transferred, and shall be deemed to be transferred, free and clear of all Liens, by the holder thereof to the Purchaser for the Canopy Share Consideration (or, in the event a Canopy Change of Control shall have occurred prior to the Effective Date, the Per Share Consideration), which Canopy Share Consideration or Per Share Consideration, as applicable, shall be paid in accordance with the provisions of Article 5, and upon such transfer:

each such former holder of such transferred Company Floating Shares shall be removed from the Company's securities register for the Company Floating Shares;

the Purchaser shall be entered in the Company's securities register for the Company Floating Shares as the legal owner of such transferred Company Floating Shares; and

each such former holder of such transferred Company Floating Shares shall, subject to Section 5.1 of this Plan of Arrangement, be entered in Canopy's securities register for the Canopy Shares in respect of the Consideration Shares issued to such holder pursuant to this Section 3.2(b), or, to the extent applicable, in the securities register of the issuer of any Alternate Consideration that such former holder of Company Floating Shares is entitled to receive in lieu of the Consideration Shares;

each Company Floating Option shall be exchanged for a Replacement Option to acquire from Canopy such number of Canopy Shares as is equal to: (A) the number of Company Floating Shares that were issuable upon exercise of such Company Floating Option immediately prior to the Effective Time, multiplied by (B) the Exchange Ratio (provided that if any holder of Replacement Options, following the exchange pursuant to this Section 3.2(c), is holding in aggregate, Replacement Options that would result in the issuance of a fraction of a Canopy Share, then the number of Canopy Shares to be issued pursuant to such Replacement Options shall be rounded down to the nearest whole number). Such Replacement Options shall provide for an exercise price per Replacement Option (rounded up to the nearest whole cent) equal to the quotient obtained when: (i) the exercise price per Company Floating Share that would otherwise be payable pursuant to the Company Floating Option it replaces is divided by (ii) the Exchange Ratio, and any document evidencing a Company Floating Option shall thereafter evidence and be deemed to evidence such Replacement Option.

Except as provided herein, all terms and conditions of a Replacement Option, including the term to expiry, conditions to and manner of exercising, will be the same as the Company Floating Option for which it was exchanged, and shall be governed by the terms of the Canopy Equity Incentive Plan, and the exchange shall not provide any optionee with any additional benefits as compared to those under his or her original Company Floating Option.

Notwithstanding clause (i) immediately above, the terms and conditions of those Replacement Options exchanged for Company Floating Options held by the Company Executives (the "**Executive Company Floating Options**") pursuant to this Plan of Arrangement shall be deemed to provide that such Replacement Options shall continue to vest according to the terms of the Executive Company Floating Options as at the date of the Arrangement Agreement, regardless of the resignation of the Company Executives from their positions or offices with the Company, provided that such Company Executives retain a position of employment with Acreage or an affiliate thereof.

It is intended that subsection 7(1.4) of the Tax Act and Sections 1.424-1(a)(5) and 1.409A-1(b)(5)(v)(D) of the U.S. Treasury Regulations, as applicable, apply to the exchange of Company Floating Options provided for in this Section 3.2(c). Accordingly, and notwithstanding the foregoing, if required, the exercise price of a Replacement Option will be increased such that the Replacement Option In-The-Money Amount immediately after the exchange does not exceed the Company Floating Option In-The-Money Amount of the Company Floating Option (or a fraction thereof) exchanged for such Replacement Option immediately before the exchange and so on a share-by-share basis, the ratio of the exercise price to the fair market value of the Company Floating Options being exchanged shall not be less favourable to the optionee than the ratio of the exercise price to the fair market value of the Replacement Options immediately following the exchange;

each Company Floating Warrant shall be exchanged for a Replacement Warrant to acquire from Canopy such number of Canopy Shares as is equal to: (A) the number of Company Floating Shares that were issuable upon exercise of such Company Floating Warrant immediately prior to the Effective Time, multiplied by (B) the Exchange Ratio (provided that if any holder of Replacement Warrants, following the exchange pursuant to this Section 3.2(d), is holding in aggregate, Replacement Warrants that would result in the issuance of a fraction of a Canopy Share, then the number of Canopy Shares to be issued pursuant to such Replacement Warrants shall be rounded down to the nearest whole number). Such Replacement Warrants shall provide for an exercise price per whole Replacement Warrant (rounded up to the nearest whole cent) equal to the quotient obtained when: (i) the exercise price per Company Floating Share that would otherwise be payable pursuant to the Company Floating Warrant it replaces is divided by (ii) the Exchange Ratio, and any document evidencing a Company Floating Warrant shall thereafter evidence and be deemed to evidence such Replacement Warrant. Except as provided herein, all terms and conditions of a Replacement Warrant, including the term to expiry, conditions to and manner of exercising, will be the same as the Company Floating Warrant for which it was exchanged, and the exchange shall not provide any optionee with any additional benefits as compared to those under his or her original Company Floating Warrant; and

each Company Floating Share Unit shall be exchanged for a Replacement Share Unit to acquire from Canopy such number of Canopy Shares as is equal to: (A) the number of Company Floating Shares that were issuable upon vesting of such Company Floating Share Unit immediately prior to the Effective Time, multiplied by (B) the Exchange Ratio (provided that if any holder of Replacement Share Units, following the exchange pursuant to this Section 3.2(e), is holding in aggregate, Replacement Share Units that would result in the issuance of a fraction of a Canopy Share, then the number of Canopy Shares to be issued pursuant to such Replacement Share Units shall be rounded down to the nearest whole number). Any document evidencing a Company Floating Share Unit shall thereafter evidence and be deemed to evidence such Replacement Share Unit.

Except as provided herein, all terms and conditions of a Replacement Share Unit, including the term to expiry, conditions to and manner of exercising, will be the same as the Company Floating Share Unit for which it was exchanged, and the exchange shall not provide any holder with any additional benefits as compared to those under his or her original Company Floating Share Unit.

Notwithstanding clause (i) immediately above, the terms and conditions of those Replacement Share Units exchanged for Company Floating Share Units held by the Company Executives (the "**Executive Company Floating Share Units**") pursuant to this Plan of Arrangement shall be deemed to provide that such Replacement Share Units shall continue to vest according to the terms of the Executive Company Floating Options as at the date of the Arrangement Agreement, regardless of the resignation of the Company Executives from their positions or offices with the Company, provided that such Company Executives retain a position of employment with Acreage or an affiliate thereof.

Letter of Transmittal.

The Company shall send a Letter of Transmittal to each Company Floating Shareholder within 15 Business Days following the receipt by the Company of a Canopy Call Option Exercise Notice or delivery by the Company of a Triggering Event Notice, as the case may be.

No Fractional Canopy Shares.

No fractional Canopy Shares will be issued to any Person in connection with this Plan of Arrangement. Where the aggregate number of Canopy Shares to be issued to a Company Floating Shareholder pursuant to this Arrangement would otherwise result in a fraction of a Canopy Share being issuable, then the aggregate number of Canopy Shares to be issued to such Company Floating Shareholder shall be rounded down to the closest whole number and no compensation shall be payable to such Company Floating Shareholder in lieu of any such fractional Canopy Share.

Currency Conversion.

Where it is necessary to convert any sum from United States dollars to Canadian dollars, or vice versa, any such sum shall (unless otherwise provided hereby or required by law) be converted by applying the closing rate, as determined by the Bank of Canada, in effect on the date immediately preceding the relevant date. The determination of the rate of conversion of any currency hereunder by the Company, Canopy and the Purchaser shall be conclusive, absent manifest error.

RIGHTS OF DISSENT

Rights of Dissent.

Pursuant to the Interim Order, each registered Company Floating Shareholder may exercise rights of dissent ("**Dissent Rights**") under Section 238 of the BCBCA and in the manner set forth in Sections 242 to 247 of the BCBCA, all as modified by this Article 4 as the same may be modified by the Interim Order or the Final Order in respect of the Arrangement, provided that the written notice of dissent from the Resolution contemplated by Section 242 of the BCBCA must be sent to and received by the Company not later than 5:00 p.m. (Vancouver time) on the Business Day that is two Business Days before the Meeting. Company Floating Shareholders who validly exercise such rights of dissent and who:

are ultimately determined to be entitled to be paid fair value for the Dissenting Shares in respect of which they have exercised Dissent Rights, notwithstanding anything to the contrary contained in Section 245 of the BCBCA, will be deemed to have irrevocably transferred such Dissenting Shares to the Purchaser pursuant to Section 3.2(a) of this Plan of Arrangement in consideration of such fair value, and in no case will the Company, Canopy or the Purchaser or any other Person be required to recognize such holders as holders of Company Floating Shares after the Effective Time, and each Dissenting Company Floating Shareholder will cease to be entitled to the rights of a Company Floating Shareholder in respect of the Company Floating Shares in relation to which such Dissenting Company Floating Shareholder has exercised Dissent Rights and the securities register of the Company will be amended to reflect that such former holder is no longer the holder of such Company Floating Shares as at and from the Effective Time; or

are ultimately not entitled, for any reason, to be paid fair value for the Dissenting Shares in respect of which they have exercised Dissent Rights, will be deemed to have participated in the Arrangement on the same basis as a Company Floating Shareholder who has not exercised Dissent Rights.

In addition to any other restrictions set forth in the BCBCA, none of the following Persons shall be entitled to exercise Dissent Rights: (i) Company Floating Optionholders (with respect to any Company Floating Options); (ii) Company Floating Share Unit Holders (with respect to any Company Floating Share Units); (iii) Company Floating Warrant Holders (with respect to any Company Floating Warrants); and (iv) Company Floating Shareholders who vote in favour of, or who have instructed a proxyholder to vote in favour of, the Resolution.

CERTIFICATES AND PAYMENTS

Payment and Delivery of Consideration.

Following receipt by the Depositary of a Canopy Call Option Exercise Notice or a Triggering Event Notice, as the case may be, and prior to the Effective Date, Canopy shall deliver, or cause to be delivered, to the Depositary a sufficient number of Canopy Shares (or, to the extent applicable, any Alternate Consideration) to satisfy the Purchaser's obligation to cause Canopy to issue Consideration Shares (or, to the extent applicable, any Alternate Consideration) to Company Floating Shareholders in accordance with Section 3.2(b) of this Plan of Arrangement.

Upon surrender to the Depositary for cancellation of a certificate which immediately prior to the Effective Time represented outstanding Company Floating Shares, together with a duly completed and executed Letter of Transmittal and such additional documents and instruments as the Depositary may reasonably require, the holder of such surrendered certificate shall be entitled to receive in exchange therefor, and the Depositary shall deliver to such Company Floating Shareholder(s), a certificate representing the Consideration Shares (or, to the extent applicable, securities comprising any Alternate Consideration) which such holder is entitled to receive pursuant to this Plan of Arrangement, which Consideration Shares (or, to the extent applicable, securities comprising any Alternate Consideration) will be registered in such name or names and either (A) delivered to the address or addresses as such Company Floating Shareholder directed in their Letter of Transmittal; or (B) made available for pick up at the office of the Depositary in accordance with the instructions of the Company Floating Shareholder in the Letter of Transmittal, and any certificate representing Company Floating Shares so surrendered shall forthwith thereafter be cancelled.

Until surrendered as contemplated by Section 5.1(b) of this Plan of Arrangement, each certificate that immediately prior to the Effective Time represented Company Floating Shares shall be deemed after the Effective Time to represent only the right to receive upon such surrender the Consideration Shares (or, to the extent applicable, any Alternate Consideration) in lieu of such certificate as contemplated in Section 5.1(b) of this Plan of Arrangement, less any amounts withheld pursuant to Section 5.3 of this Plan of Arrangement. Any such certificate formerly representing Company Floating Shares not duly surrendered on or before the third anniversary of the Effective Date shall cease to represent a claim by or interest of any former Company Floating Shareholder of any kind or nature against or in the Company, Canopy or the Purchaser. On such date, all Consideration Shares (or, to the extent applicable, securities representing any Alternate Consideration) to which such Company Floating Shareholder was entitled shall be deemed to have been surrendered to Canopy and shall be paid over by the Depositary to Canopy or as directed by Canopy.

No dividends or other distributions declared or made after the Effective Date with respect to Canopy Shares (or, to the extent applicable, securities representing any Alternate Consideration) with a record date on or after the Effective Date will be payable or paid to the holder of any unsurrendered certificate or certificates which, immediately prior to the Effective Date, represented outstanding Company Floating Shares, until the surrender of such certificates to the Depositary. Subject to applicable Law and to Section 5.3 of this Plan of Arrangement, at the time of such surrender, there shall, in addition to the delivery of the Canopy Shares (or, to the extent applicable, securities comprising any Alternate Consideration) to which such Company Floating Shareholder is thereby entitled, be delivered to such holder, without interest, the amount of the dividend or other distribution with a record date after the Effective Time theretofore paid with respect to such Canopy Shares (or, to the extent applicable, securities comprising any Alternate Consideration).

No holder of Company Floating Shares shall be entitled to receive any consideration or entitlement with respect to such Company Floating Shares in connection with the transactions or events contemplated by this Plan of Arrangement other than any consideration or entitlement to which such holder is entitled to receive in accordance with Section 3.2 of this Plan of Arrangement, this Section 5.1 and the other terms of this Plan of Arrangement.

Lost Certificates.

In the event any certificate which immediately prior to the Effective Time represented one or more outstanding Company Floating Shares shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the Person claiming such certificate to be lost, stolen or destroyed, the Depositary will issue in exchange for such lost, stolen or destroyed certificate, the Consideration Shares (or, to the extent applicable, any Alternate Consideration) that such Company Floating Shareholder has the right to receive pursuant to this Plan of Arrangement, delivered in accordance with such Company Floating Shareholder's Letter of Transmittal. When authorizing such exchange for any lost, stolen or destroyed certificate, the Person to whom such Consideration Shares (or, to the extent applicable, any Alternate Consideration) are to be delivered shall as a condition precedent to the delivery of such Consideration Shares (or, to the extent applicable, any Alternate Consideration), give a bond satisfactory to Canopy, the Purchaser and the Depositary (each acting reasonably) in such sum as Canopy may direct (acting reasonably), or otherwise indemnify Canopy, the Purchaser and the Company in a manner satisfactory to Canopy (acting reasonably) against any claim that may be made against Canopy, the Purchaser and the Company with respect to the certificate alleged to have been lost, stolen or destroyed.

Withholding Rights.

Canopy, the Purchaser, the Company and the Depositary shall be entitled to deduct and withhold from any consideration payable or otherwise deliverable to any Person under this Plan of Arrangement (including, without limitation, any amounts payable pursuant to Section 4.1 of this Plan of Arrangement), such amounts as Canopy, the Purchaser, the Company or the Depositary (as applicable) determines, acting reasonably, are required to be deducted and withheld with respect to such payment under the Tax Act, the U.S. Tax Code or any provision of any other Law. To the extent that amounts are so withheld, such withheld amounts shall be treated for all purposes hereof as having been paid to the Person in respect of which such withholding was made, provided that such amounts are actually remitted to the appropriate Governmental Entity.

Not later than 10 Business Days prior to the Effective Date, Canopy shall give written notice to the Company of any deduction or withholding set forth in Section 5.3(a) of this Plan of Arrangement that Canopy intends to make or that it anticipates the Depositary making and afford the Company a reasonable opportunity to dispute any such deduction or withholding.

Each of the Company, Canopy, the Purchaser and the Depositary is hereby authorized to sell or otherwise dispose of such portion of Canopy Shares (or, to the extent applicable, any Alternate Consideration) payable to any Company Floating Shareholder pursuant to this Plan of Arrangement as is necessary to provide sufficient funds to the Company, Canopy, the Purchaser or the Depositary, as the case may be, to enable it to implement such deduction or withholding, and the Company, Canopy, the Purchaser or the Depositary will notify the holder thereof and remit to the holder any unapplied balance of the net proceeds of such sale.

No Liens.

Any exchange or transfer of securities pursuant to this Plan of Arrangement, including the surrender of Company Floating Shares by Dissenting Company Floating Shareholders, shall be free and clear of any Liens or other claims of third parties of any kind.

Paramountcy.

From and after the Effective Time, this Plan of Arrangement shall take precedence and priority over any and all Company Floating Shares, Company Floating Options, Company Floating Share Units and Company Floating Warrants issued or outstanding at or following the Effective Time.

AMENDMENTS

Amendments to Plan of Arrangement.

The Company, Canopy and the Purchaser may amend, modify and/or supplement this Plan of Arrangement at any time and from time to time prior to the Effective Time, provided that each such amendment, modification and/or supplement must be (i) set out in writing, (ii) approved by Canopy, the Purchaser and the Company (subject to the Arrangement Agreement), each acting reasonably, (iii) filed with the Court and, if made following the Meeting, approved by the Court, and (iv) communicated to or approved by the Company Floating Shareholders if and as required by the Court.

Any amendment, modification or supplement to this Plan of Arrangement may be proposed by the Company, Canopy or the Purchaser at any time prior to the Meeting (provided that Canopy, the Purchaser or the Company, subject to the Arrangement Agreement, have each consented in writing thereto) with or without any other prior notice or communication, and if so proposed and accepted by the Persons voting at the Meeting (other than as may be required under the Interim Order), shall become part of this Plan of Arrangement for all purposes.

Any amendment, modification or supplement to this Plan of Arrangement that is approved or directed by the Court following the Meeting shall be effective only if (i) it is consented to in writing by each of the Company, Canopy and the Purchaser (in each case, acting reasonably), and (ii) if required by the Court, it is consented to by some or all of the Company Floating Shareholders voting in the manner directed by the Court.

Any amendment, modification or supplement to this Plan of Arrangement may be made following the Effective Date by Canopy, the Purchaser and the Company, provided that it concerns a matter which, in the reasonable opinion of Canopy, the Purchaser and the Company and on the advice of counsel, is of an administrative nature required to better give effect to the implementation of this Plan of Arrangement and is not adverse to the economic interest of any Company Floating Shareholder, High Street Holder or USCo2 Class B Shareholder.

FURTHER ASSURANCES

Notwithstanding that the transactions and events set out in this Plan of Arrangement shall occur and shall be deemed to occur in the order set out in this Plan of Arrangement without any further act or formality, each of the Parties shall make, do and execute, or cause to be made, done and executed, all such further acts, deeds, agreements, transfers, assurances, instruments or documents as may reasonably be required by either of them in order further to document or evidence any of the transactions or events set out in this Plan of Arrangement.

U.S. SECURITIES LAW EXEMPTION

Notwithstanding any provision herein to the contrary, the Company, Canopy and the Purchaser each agree that the Plan of Arrangement will be carried out with the intention that, and they will use their commercially reasonable best efforts to ensure that, all: (a) Consideration Shares to be issued in exchange for Company Floating Shares; (b) Replacement Options to be issued to holders of Company Floating Options in exchange for Company Floating Options pursuant to Section 3.2(c) of this Plan of Arrangement; (c) Replacement Warrants to be issued to holders of Company Floating Warrants in exchange for Company Floating Warrants pursuant to Section 3.2(d) of this Plan of Arrangement; and (d) Replacement Share Units to be issued to holders of Company Floating Share Units in exchange for Company Floating Share Units pursuant to Section 3.2(e) of this Plan of Arrangement, whether in the United States, Canada or any other country, will be issued in reliance on the exemption from the registration requirements of the U.S. Securities Act provided by Section 3(a)(10) thereof and similar exemptions under applicable state securities laws, and pursuant to the terms, conditions and procedures set forth in the Arrangement Agreement and this Plan of Arrangement. Holders of Company Floating Options, Company Floating Warrants and Company Floating Share Units entitled to receive Replacement Options, Replacement Warrants and Replacement Share Units, respectively, will be advised that the exemption provided by the U.S. Securities Act pursuant to Section 3(a)(10) thereof, will not be available for the issuance of any Canopy Shares issuable upon the exercise or vesting of the applicable Replacement Options, Replacement Warrants or Replacement Share Units, if any.

Schedule B
RESOLUTION

BE IT RESOLVED THAT:

1. The arrangement (the "**Arrangement**") under Section 288 of the *Business Corporations Act* (British Columbia) (the "**BCBCA**") of Acreage Holdings, Inc. (the "**Company**") , as more particularly described and set forth in the proxy statement of the Company dated ●, 2022 (the "**Circular**") accompanying the corresponding notice of meeting (as the Arrangement may be amended, modified or supplemented in accordance with the arrangement agreement among the Company, Canopy USA, LLC and Canopy Growth Corporation dated October 24, 2022 (as it may be amended, modified or supplemented, the "**Arrangement Agreement**")), is hereby authorized, approved and adopted.

2. The plan of arrangement of the Company (as it has been or may be amended, modified or supplemented in accordance with its terms and the Arrangement Agreement, the "**Plan of Arrangement**"), the full text of which is set out in Appendix ● to the Circular, is hereby authorized, approved and adopted.

3. The (i) Arrangement Agreement and the transactions provided for therein, (ii) actions of the directors of the Company in approving the Arrangement Agreement, and (iii) actions of the directors and officers of the Company in executing and delivering the Arrangement Agreement, are hereby ratified, confirmed and approved.

4. The Company is hereby authorized to apply for a final order from the Supreme Court of British Columbia to approve the Arrangement on the terms set forth in the Arrangement Agreement and the Plan of Arrangement.

5. Notwithstanding that these resolutions, and the Arrangement, have been adopted by the holders of Class D subordinate voting shares of the Company or that the Arrangement may be approved by the Supreme Court of British Columbia, the directors of the Company are hereby authorized and empowered, without notice to or approval of such shareholders of the Company, to (i) authorize and approve further amendments, modifications or supplements to the Arrangement Agreement or the Plan of Arrangement to the extent permitted thereby; and (ii) subject to the terms of the Arrangement Agreement, not to proceed with the Arrangement and related transactions.

6. Any one officer or director of the Company is hereby authorized and directed for and on behalf of the Company to execute or cause to be executed, under the seal of the Company or otherwise, and to deliver and file such documents as may be required to be delivered and filed with the Registrar of Companies under the BCBCA in accordance with the Arrangement Agreement.

7. Any one officer or director of the Company is hereby authorized and directed for and on behalf of the Company to execute or cause to be executed and to deliver or cause to be delivered all such other documents and instruments and to perform or cause to be performed all such other acts and things as such Person determines may be necessary or desirable to give full effect to the foregoing resolutions and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document or instrument or the doing of any such act or thing.

EXECUTION VERSION

Schedule C
VOTING SUPPORT AGREEMENT

See attached.

EXECUTION VERSION

THIS AGREEMENT is made as of October 24, 2022

AMONG:

[●] (the "**Shareholder**")

- and -

CANOPY GROWTH CORPORATION, a corporation existing under the federal laws of Canada ("**Canopy**")

- and -

CANOPY USA, LLC, a limited liability company existing under the laws of State of Delaware (the "**Purchaser**")

RECITALS:

WHEREAS, in connection with an arrangement agreement between the Purchaser, Canopy and Acreage Holdings, Inc. (the "**Company**") dated as of the date hereof (as may be amended, modified or supplemented from time to time in accordance with its terms, the "**Arrangement Agreement**"), the Purchaser proposes to, among other things, acquire all of the terms Class D subordinate voting shares of the Company (the "**Company Floating Shares**");

AND WHEREAS, it is contemplated that the proposed transaction will be effected pursuant to an arrangement under Section 288 of the *Business Corporations Act* (British Columbia) (the "**Arrangement**") provided for in the plan of arrangement set out in the Arrangement Agreement (the "**Plan of Arrangement**");

AND WHEREAS, the Shareholder is the beneficial owner, directly or indirectly, of the Subject Shares (as defined below) listed on the Shareholder's signature page attached to this Agreement;

AND WHEREAS, this Agreement sets out the terms and conditions of the agreement of the Shareholder to abide by the covenants in respect of the Subject Shares and the other restrictions and covenants set forth herein;

NOW THEREFORE, in consideration of the mutual covenants and agreements set forth in this Agreement and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged) the Parties hereto agree as follows:

ARTICLE 1
INTERPRETATION

1.1 Definitions.

Unless indicated otherwise, where used in this Agreement, capitalized terms used but not defined shall have the meanings ascribed thereto in the Arrangement Agreement and the following terms shall have the following meanings (and grammatical variations of such terms have corresponding meanings), including the recitals:

"**affiliate**" of any Person means, at the time such determination is being made, any other Person controlling, controlled by or under common control with such first Person, in each case, whether directly or indirectly, and "control" and any derivation thereof means the holding of voting securities of another entity sufficient to elect a majority of the board of directors (or the equivalent) of such entity;

"**Agreement**" means this voting support agreement dated as of the date hereof between the Shareholder, Canopy and the Purchaser, as it may be amended, modified or supplemented from time to time in accordance with its terms;

"**Arrangement**" has the meaning ascribed thereto in the recitals hereof;

"**Arrangement Agreement**" has the meaning ascribed thereto in the recitals hereof;

"**Effective Date**" has the meaning specified in Section 1.1 of the Plan of Arrangement;

"**Effective Time**" means 12:00 a.m. (Vancouver time) on the Effective Date, or such other time on the Effective Date as the Parties agree to in writing before the Effective Date;

"**Business Day**" means any day of the year, other than a Saturday, Sunday or any day on which major banks are generally closed for business in Toronto, Ontario or Vancouver British Columbia or New York, New York, as the context requires;

"**Canopy**" has the meaning ascribed thereto in the recitals hereof;

"**Circular**" means the notice of the Meeting and accompanying proxy statement, including all schedules, appendices and exhibits to, and information incorporated by reference in, such proxy statement, to be sent to the Company Floating Shareholders in connection with the Meeting, as amended, supplemented or otherwise modified from time to time in accordance with the terms of the Arrangement Agreement;

"**Company**" has the meaning ascribed thereto in the recitals hereof;

"**Company Floating Options**" has the meaning specified in the Arrangement Agreement;

"**Company Floating Share Units**" has the meaning specified in the Arrangement Agreement;

"**Company Floating Shareholders**" means the registered or beneficial holders of the Company Floating Shares, as the context requires;

"**Company Floating Shares**" has the meaning ascribed thereto in the recitals hereof;

"**Existing Agreement**" means the arrangement agreement between the Company and Canopy dated April 18, 2019, as amended on May 15, 2019, September 23, 2020 and November 17, 2020;

"**Governmental Entity**" means (i) any international, multinational, national, federal, provincial, state, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitral body, commission, commissioner, board, bureau, ministry, agency or instrumentality, domestic or foreign, (ii) any subdivision or authority of any of the above, (iii) any quasi- governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing, or (iv) any stock exchange;

"**High Street Units**" has the meaning specified in the Arrangement Agreement;

"**Meeting**" means the special meeting of Company Floating Shareholders, including any adjournment or postponement of such special meeting in accordance with the terms of the Arrangement Agreement, to be called to consider approval of the Arrangement;

"**Notice**" has the meaning ascribed thereto in Section 4.7;

"**Parties**" means the Shareholder, Canopy and the Purchaser and "**Party**" means any one of them;

"**Person**" includes any individual, partnership, association, body corporate, organization, trust, estate, trustee, executor, administrator, legal representative, government (including Governmental Entity), syndicate or other entity, whether or not having legal status;

"**Purchaser**" has the meaning ascribed thereto in the recitals hereof;

"**Resolution**" means the special resolution of the Company Floating Shareholders approving the Arrangement to be considered at the Meeting.

"**Securities Authority**" means all applicable securities regulatory authorities, including the applicable securities commissions or similar regulatory authorities in each of the provinces of Canada;

"**SEDAR**" means the System for Electronic Document Analysis Retrieval.

"**Shareholder**" has the meaning ascribed thereto in the recitals hereof;

"**Subject Shares**" means the Company Floating Shares and other securities listed on the Shareholder's signature page attached to this Agreement convertible into Company Floating Shares and any Company Floating Shares acquired by the Shareholder or any of its affiliates subsequent to the date hereof, and includes all securities which such Subject Shares may be converted into, exchanged for or otherwise changed into;

"**Subsidiary**" has the meaning specified in National Instrument 45-106 – *Prospectus Exemptions* as in effect on the date of the Arrangement Agreement; and

"**USCo2 Class B Shares**" has the meaning specified in the Arrangement Agreement.

1.2 Gender and Number.

Any reference to gender includes all genders. Words importing the singular number only include the plural and vice versa.

1.3 Currency.

All references to dollars or to "$" are references to United States dollars.

1.4 Headings.

The division of this Agreement into Articles, Sections and Schedules and the insertion of the recitals and headings are for convenient reference only and do not affect the construction or interpretation of this Agreement and, unless otherwise stated, all references in this Agreement or in the Schedules hereto to Articles, Sections and Schedules refer to Articles, Sections and Schedules of and to this Agreement or of the Schedules in which such reference is made, as applicable.

1.5 Date for any Action.

A period of time is to be computed as beginning on the day following the event that began the period and ending at 4:30 p.m. (Toronto Time) on the last day of the period, if the last day of the period is a Business Day, or at 4:30 p.m. (Toronto Time) on the next Business Day if the last day of the period is not a Business Day. If the date on which any action is required or permitted to be taken under this Agreement by a Person is not a Business Day, such action shall be required or permitted to be taken on the next succeeding Business Day.

ARTICLE 2
REPRESENTATIONS AND WARRANTIES

2.1 Representations and Warranties of the Shareholder.

The Shareholder represents and warrants to the Purchaser and Canopy (and acknowledges that the Purchaser and Canopy are relying on these representations and warranties in completing the transactions contemplated hereby and by the Arrangement Agreement) that:

(a) The Shareholder, if the Shareholder is not a natural person, is a corporation or other entity validly existing under the laws of the jurisdiction of its existence.

(b) The Shareholder, if the Shareholder is not a natural person, has the requisite corporate power and authority to enter into and perform its obligations under this Agreement. This Agreement has been duly executed and delivered by the Shareholder and constitutes a legal, valid and binding agreement of the Shareholder enforceable against the Shareholder in accordance with its terms, subject only to any limitation under bankruptcy, insolvency or other applicable laws affecting the enforcement of creditors' rights generally and the discretion that a court may exercise in the granting of equitable remedies such as specific performance and injunction.

(c) The Shareholder, directly or indirectly, exercises control or direction over all of the Subject Shares set forth the Shareholder's signature page attached to this Agreement. Other than the Subject Shares, neither the Shareholder nor any of its affiliates, beneficially own, directly or indirectly, or exercise control or direction over any securities convertible or exchangeable into any Company Floating Shares.

(d) As at the date hereof, the Shareholder is, and immediately following the record date for the Meeting the Shareholder will be, directly or indirectly, the sole beneficial owner of the Subject Shares listed on Schedule A hereto, with good and marketable title thereto.

(e) The Shareholder has the sole right to sell and vote or direct the sale and voting of the Subject Shares listed on Schedule A hereto.

(f) No Person has any agreement or option, or any right or privilege (whether by law, pre-emptive or contractual) capable of becoming an agreement or option, for the purchase, acquisition or transfer of any of the Subject Shares or any interest therein or right thereto, except the Purchaser pursuant to this Agreement or the Arrangement Agreement.

(g) No material consent, approval, order or authorization of, or declaration or filing with, any Person is required to be obtained by the Shareholder in connection with the execution and delivery of this Agreement by the Shareholder and the performance by the Shareholder of the Shareholder's obligations under this Agreement, other than those that are contemplated by the Arrangement Agreement.

(h) None of the Subject Shares are subject to any proxy, voting trust, vote pooling or other agreement with respect to the right to vote, call meetings of any of the Company's securityholders or give consents or approvals of any kind, except this Agreement or as contemplated by the Arrangement Agreement.

(i) None of the execution and delivery by the Shareholder of this Agreement or the completion of the transactions by the Shareholder contemplated hereby or the compliance by the Shareholder with its obligations hereunder will violate, contravene, result in any breach of, or be in conflict with, or constitute a default under, or create a state of facts which after notice or lapse of time or both would constitute a default under, any term or provision of: (i) any constating documents of the Shareholder (if the Shareholder is not a natural person); (ii) any contract to which the Shareholder is a party or by which the Shareholder is bound; (iii) any judgment, decree, order or award of any Governmental Entity applicable to the Shareholder; or (iv) any law applicable to the Shareholder, except in each case as would not reasonably be expected, individually or in the aggregate, to materially impair the ability of the Shareholder to perform its obligations hereunder.

2.2 Representations and Warranties of Canopy.

Canopy represents and warrants to the Shareholder (and acknowledges that the Shareholder is relying on these representations and warranties in completing the transactions contemplated hereby and by the Arrangement Agreement) that:

(a) Canopy is a corporation duly incorporated and validly existing under the federal laws of Canada and has the requisite corporate power and authority to enter into and perform its obligations under this Agreement and the Arrangement Agreement. This Agreement has been duly executed and delivered by Canopy and constitutes a legal, valid and binding agreement of Canopy enforceable against Canopy in accordance with its terms subject only to any limitation under bankruptcy, insolvency or other applicable laws affecting the enforcement of creditors' rights generally and the discretion that a court may exercise in the granting of equitable remedies such as specific performance and injunction.

(b) None of the execution and delivery by Canopy of this Agreement or the compliance by Canopy with Canopy's obligations hereunder or Canopy's completion of the transactions contemplated herein and in the Arrangement Agreement will violate, contravene, result in any breach of, or be in conflict with, or constitute a default under, or create a state of facts which after notice or lapse of time or both would constitute a default under, any term or provision of: (i) any constating documents of Canopy; (ii) any contract to which Canopy is a party or by which Canopy is bound; (iii) any judgment, decree, order or award of any Governmental Entity; or (iv) any applicable law.

(c) No material consent, approval, order or authorization of, or declaration or filing with, any Governmental Entity is required to be obtained by Canopy in connection with the execution and delivery of this Agreement and the performance by it of its obligations under this Agreement, other than those which are contemplated by the Arrangement Agreement.

2.3 Representations and Warranties of the Purchaser.

The Purchaser represents and warrants to the Shareholder (and acknowledges that the Shareholder is relying on these representations and warranties in completing the transactions contemplated hereby and by the Arrangement Agreement) that:

(a) The Purchaser is a limited liability company duly formed and validly existing under the laws of the State of Delaware and has the requisite power and authority to enter into and perform its obligations under this Agreement and the Arrangement Agreement. This Agreement has been duly executed and delivered by the Purchaser and constitutes a legal, valid and binding agreement of the Purchaser enforceable against the Purchaser in accordance with its terms subject only to any limitation under bankruptcy, insolvency or other applicable laws affecting the enforcement of creditors' rights generally and the discretion that a court may exercise in the granting of equitable remedies such as specific performance and injunction.

(b) None of the execution and delivery by the Purchaser of this Agreement or the compliance by the Purchaser with the Purchaser's obligations hereunder or the Purchaser's completion of the transactions contemplated herein and in the Arrangement Agreement will violate, contravene, result in any breach of, or be in conflict with, or constitute a default under, or create a state of facts which after notice or lapse of time or both would constitute a default under, any term or provision of: (i) any constating documents of the Purchaser; (ii) any contract to which the Purchaser is a party or by which the Purchaser is bound; (iii) any judgment, decree, order or award of any Governmental Entity; or (iv) any applicable law.

(c) No material consent, approval, order or authorization of, or declaration or filing with, any Governmental Entity is required to be obtained by the Purchaser in connection with the execution and delivery of this Agreement and the performance by it of its obligations under this Agreement, other than those which are contemplated by the Arrangement Agreement.

ARTICLE 3
COVENANTS

3.1 Covenants of the Shareholder.

(a) The Shareholder hereby covenants and agrees in favour of the Purchaser and Canopy that, from the date hereof until the termination of this Agreement in accordance with Section 4.1, except as permitted by this Agreement:

(i) at any meeting of securityholders of the Company called to vote upon the Resolution or the transactions contemplated by the Arrangement Agreement or at any adjournment or postponement thereof or in any other circumstances upon which a vote, consent or other approval with respect to the Resolution or the transactions contemplated by the Arrangement Agreement is sought (including by written consent in lieu of a meeting), the Shareholder shall cause all its Subject Shares which carry the right to vote at such meeting to be counted as present for purposes of establishing quorum and shall vote (or cause to be voted) all its Subject Shares which carry the right to vote at such meeting in favour of the Resolution and the transactions contemplated by the Arrangement Agreement;

(ii) at any meeting of securityholders of the Company or at any adjournment or postponement thereof or in any other circumstances upon which a vote, consent or other approval of all or some of the securityholders of the Company is sought in respect of any matter that could reasonably be expected to delay, prevent, impede or frustrate the successful completion of the Arrangement and each of the transactions contemplated by the Arrangement Agreement (the "**Prohibited Matters**") (including by written consent in lieu of a meeting), the Shareholder shall cause all its Subject Shares which carry the right to vote at such meeting to be counted as present for purposes of establishing quorum and shall vote (or cause to be voted) all its Subject Shares which carry the right to vote at such meeting against the Prohibited Matters;

(iii) the Shareholder shall revoke any and all proxies previously granted or voting instruction forms or other voting documents previously delivered that may conflict or be inconsistent with the Shareholder's covenants and agreements set forth in this Agreement;

(iv) the Shareholder agrees that he or she will not, directly or indirectly (i) sell, transfer, assign, grant a participation interest in, option, pledge, hypothecate, grant a security interest in or otherwise convey or encumber (each, a "**Transfer**"), or enter into any agreement, option or other arrangement to Transfer any of its Subject Shares to any Person prior to the record date for the Meeting, other than pursuant to the Arrangement Agreement, or (ii) grant any proxies or power of attorney, deposit any of its Subject Shares into any voting trust or enter into any voting arrangement, whether by proxy, voting agreement or otherwise, with respect to its Subject Shares, other than as contemplated in this Agreement;

(v) the Shareholder shall not exercise any rights of appraisal or rights of dissent, as applicable, in respect of the Resolution or the transactions contemplated by the Arrangement Agreement that the Shareholder may have; and

(vi) without limiting the generality of Section 4.13, no later than five Business Days prior to the date of the Meeting: (i) with respect to any Subject Shares that are registered in the name of the Shareholder and entitled to vote at the Meeting, the Shareholder shall deliver or cause to be delivered, in accordance with the instructions set out in the Circular, a duly executed proxy or proxies directing the holder of such proxy or proxies to vote in favour of the Resolution, with a copy to Canopy concurrently with such delivery; and (ii) with respect to any Subject Shares that are beneficially owned by the Shareholder but not registered in the name of the Shareholder, the Shareholder shall deliver a duly executed voting instruction form to the intermediary through which the Shareholder holds its beneficial interest in the Shareholder's Subject Shares, instructing that the Shareholder's Subject Shares be voted at the Meeting in favour of the Resolution, with a copy to Canopy concurrently with such delivery . Such proxy or proxies shall name those individuals as may be designated by the Company in the Circular and such proxy or proxies or voting instructions shall not be revoked, withdrawn or modified without the prior written consent of Canopy and the Purchaser.

(b) From the date hereof until the termination of this Agreement in accordance with Section 4.1, subject to Section 4.5, the Shareholder will not, and will ensure that its affiliates do not, directly or indirectly, through any officer, director, employee, representative or agent or otherwise:

(i) solicit proxies or become a participant in a solicitation of proxies in opposition to or competition with the transactions contemplated by the Arrangement;

(ii) assist any Person in taking or planning any action that would reasonably be expected to compete with, restrain or otherwise serve to interfere with or inhibit the transactions contemplated by the Arrangement;

(iii) act jointly or in concert with others with respect to voting securities of the Company for the purpose of opposing or competing with the transactions contemplated by the Arrangement Agreement; or

(iv) knowingly encourage any effort or attempt by any other Person to do or seek to do any of the foregoing.

(c) The Shareholder hereby consents to, to the extent required by Law:

(i) details of this Agreement being set out in any press release, proxy statement, including the Circular, and court documents produced by the Company or Canopy or any of their respective affiliates in connection with the Arrangement in accordance with the provisions of the Arrangement Agreement; and

(ii) this Agreement being made publicly available, including by filing on SEDAR operated on behalf of the Securities Authorities with all reasonable redactions made at the request of the Shareholder.

(d) Except as required by applicable law or stock exchange requirements, the Shareholder will not, and will ensure that its affiliates and representatives do not, make any public announcement with respect to the transactions contemplated herein or pursuant to the Arrangement Agreement without the prior written approval of Canopy and the Purchaser.

ARTICLE 4
GENERAL

4.1 Termination.

This Agreement will terminate and be of no further force or effect upon the earliest to occur of:

(a) the mutual agreement in writing of the Shareholder and Canopy;

(b) the date, if any, that the Arrangement Agreement is terminated in accordance with its terms;

(c) the Effective Time;

(d) unless extended by mutual agreement of the Shareholder, on the one hand, and the Purchaser, on the other hand, on the Outside Date if the Effective Time has not yet occurred; or

(e) the date that the Shareholder provides written notice to the Purchaser of the termination of this Agreement following the Arrangement Agreement or the terms of the Arrangement being amended such that (i) the consideration to be received by the Shareholder on an after-tax-basis is reduced, or (ii) the completion of the Arrangement is reasonably expected to take materially longer than the existing Outside Date.

4.2 Time of the Essence.

Time is of the essence in this Agreement.

4.3 Effect of Termination.

If this Agreement is terminated in accordance with the provisions of Section 4.1, no Party will have any further liability to perform any of its covenants and agreements under this Agreement, provided that neither the termination of this Agreement nor anything contained in Section 4.1 will relieve any Party from any liability for any breach by it of this Agreement, including from any inaccuracy in its representations and warranties and any non-performance by it of its covenants and agreements made herein.

4.4 Equitable Relief.

The Parties agree that irreparable harm would occur for which money damages would not be an adequate remedy at law in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the Parties shall be entitled to injunctive and other equitable relief to prevent breaches of this Agreement, and to enforce compliance with the terms of this Agreement without any requirement for the securing or posting of any bond in connection with the obtaining of any such injunctive or other equitable relief, this being in addition to any other remedy to which the Parties may be entitled at law or in equity.

4.5 Capacity and Fiduciary Duty.

The Purchaser and Canopy each hereby agree and acknowledge that the Shareholder is bound hereunder solely in his or her capacity as a shareholder of the Company and that the provisions of this Agreement shall not be deemed or interpreted to bind the Shareholder or any of its affiliates or their directors, officers, shareholders, employees or agents in his or her capacity as a director or officer of the Company or any of its Subsidiaries. For the avoidance of doubt, nothing in this Agreement shall limit or restrict any Party from properly fulfilling his or her fiduciary duties as a director or officer of the Company or any of its Subsidiaries and nothing in this Agreement shall prevent a Shareholder who is a member of the board of directors or an officer of the Company from engaging, in such Shareholder's capacity as a director or officer of the Company or any of its Subsidiaries.

4.6 Control

If any of the Subject Shares are held through a nominee, corporation, trust or other legal entity, including but not limited to a broker or other financial intermediary, over which the Shareholder has control as defined in the legislation governing the ownership of the property of such nominee, corporation, trust or other legal entity (either alone or in conjunction with any other Person), the Shareholder will vote or will cause to be voted such Subject Shares and exercise its power and authority to ensure that this Agreement is complied with by such nominee, corporation, trust or other legal entity.

4.7 Waiver; Amendment.

The Parties agree and confirm that any provision of this Agreement may be amended or waived if, and only if, such amendment or waiver is in writing and signed, in the case of an amendment, by all of the Parties or in the case of a waiver, by the Party against whom the waiver is to be effective. No waiver of any of the provisions of this Agreement will constitute a waiver of any other provision (whether or not similar). No waiver will be binding unless executed in writing by the Party to be bound by the waiver. A Party's failure or delay in exercising any right under this Agreement will not operate as a waiver of that right. A single or partial exercise of any right will not preclude a Party from any other or further exercise of that right or the exercise of any other right. No waiver of any of the provisions of this Agreement will be deemed to constitute a waiver of any other provision (whether or not similar).

4.8 Entire Agreement.

This Agreement constitutes the entire agreement among the Parties with respect to the subject matter hereof and supersedes all prior agreements and understandings among the Parties with respect thereto.

4.9 Notices.

Any notice, or other communication given regarding the matters contemplated by this Agreement (each a "**Notice**") (must be in writing, sent by personal delivery, courier or electronic mail and addressed:

(a) to Canopy at:

Canopy Growth Corporation
1 Hershey Drive
Smith Falls, ON K7A 0A8

Attention: Christelle Gedeon
Email: **[PERSONAL INFORMATION REDACTED]**

with copies (which shall not constitute notice) to:

Cassels Brock & Blackwell LLP
2100 Scotia Plaza, 40 King Street West
Toronto, ON M5H 3C2

Attention: Jonathan Sherman
Email: jsherman@cassels.com

and

Attention: Jamie Litchen
Email: jlitchen@cassels.com

(b) to the Purchaser at:

Canopy USA, LLC
35715 Hwy 40, Ste D102
Evergreen, Colorado
80439

Attention: Legal
Email: **[PERSONAL INFORMATION REDACTED]**

(c) to the Shareholder, at the address set out in the Shareholder's signature page attached to this Agreement.

Any Notice or other communication is deemed to be given and received (i) if sent by personal delivery, same day courier or electronic mail, on the date of delivery if it is a Business Day and the delivery was made prior to 4:00 p.m. (local time in place of receipt) and otherwise on the next Business Day or (ii) if sent by overnight courier, on the next Business Day. A Party may change its address for service from time to time by providing Notice in accordance with the foregoing. Any subsequent Notice or other communication must be sent to the Party at its changed address. Any element of a Party's address that is not specifically changed in a Notice will be assumed not to be changed. Sending a copy of a Notice or other communication to a Party's legal counsel as contemplated above is for information purposes only and does not constitute delivery of the Notice or other communication to that Party. The failure to send a copy of a Notice or other communication to legal counsel does not invalidate delivery of that notice or other communication to a Party.

4.10 Severability.

If any provision of this Agreement is determined to be illegal, invalid or unenforceable by an arbitrator or any court of competent jurisdiction, that provision will be severed from this Agreement and the remaining provisions shall remain in full force and effect. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in an acceptable manner to the end that the transactions contemplated hereby are fulfilled to the fullest extent possible.

4.11 Successors and Assigns.

The provisions of this Agreement will be binding upon and enure to the benefit of the Parties hereto and their respective heirs, administrators, executors, legal representatives, successors and permitted assigns, provided that no Party may assign, delegate or otherwise transfer any of its rights, interests or obligations under this Agreement without the prior written consent of the other Parties hereto.

4.12 Independent Legal Advice.

Each of the Parties hereby acknowledges that it has been afforded the opportunity to obtain independent legal advice and confirms by the execution and delivery of this Agreement that they have either done so or waived their right to do so in connection with the entering into of this Agreement.

4.13 Further Assurances.

The Parties hereto will, with reasonable diligence, do all things and provide all such reasonable assurances as may be required to consummate the transactions contemplated by this Agreement, and the Parties will provide such further documents or instruments required by the other Parties as may be reasonably necessary or desirable to effect the purpose of this Agreement and carry out its provisions.

4.14 Expenses

Each of the Parties shall pay its respective legal, financial advisory and accounting costs and expenses incurred in connection with the preparation, execution and delivery of this Agreement and all documents and instruments executed or prepared pursuant hereto and any other costs and expenses whatsoever and howsoever incurred.

4.15 Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia and of Canada applicable therein. The Parties irrevocably attorns and submits to the exclusive jurisdiction of the British Columbia courts situated in the City of Vancouver and waives objection to the venue of any proceeding in such court or that such court provides an inconvenient forum.

4.16 Counterparts.

This Agreement may be executed in any number of counterparts (including counterparts delivery by facsimile or similar electronic copy) and all such counterparts taken together shall be deemed to constitute one and the same instrument. The Parties shall be entitled to rely upon delivery of an executed facsimile or similar executed electronic copy of this Agreement, and such facsimile or similar executed electronic copy shall be legally effective to create a valid and binding agreement between the Parties.

[*Remainder of page intentionally left blank.]*

EXECUTION VERSION

IN WITNESS OF WHICH the Parties have executed this Agreement as at the date first above written.

CANOPY GROWTH CORPORATION

Per: _____

Authorized Signing Officer
I have authority to bind the company.

CANOPY USA, LLC

Per: _____

Authorized Signing Officer
I have authority to bind the company.

IN WITNESS OF WHICH the Parties have executed this Agreement as at the date first above written.

_____

[Shareholder]

_____

(Print Name of Shareholder)

_____

(Place of Residency)

_____

(Print Name and Title)

Address: _____

_____

_____

Telephone: _____

Email: _____

_____

(Number of Company Floating Shares Held)

_____

(Number of High Street Units Held)

_____

(Number of USCo2 Class B Shares Held)

_____

(Number of Company Floating Options Held)

_____

(Number of Company Floating Share Units Held)

Schedule D

USCO2 CONSTATING DOCUMENT AMENDMENTS

See attached.

THIRD AMENDED AND RESTATED
ARTICLES OF INCORPORATION
OF
ACREAGE HOLDINGS WC, INC.,
a Nevada corporation

Acreage Holdings WC, Inc. (the "***Corporation***"), a Nevada corporation, hereby amends and restates its Articles of Incorporation, to embody in one document its original articles and the subsequent amendments thereto, pursuant to Sections 78.390 and 78.403 of the Nevada Revised Statutes ("***NRS***").

The Third Amended and Restated Articles of Incorporation (the "***Restated Articles***") were approved by the board of directors of the Corporation (the "***Board of Directors***") by written consent on October 24, 2022 for adoption at the Effective Time (as defined below). Upon the recommendation of the Board of Directors, the shareholders of the Corporation holding the requisite voting power approved the Restated Articles by written consent on _____, 2022 for adoption at the Effective Time. As a result, the Restated Articles were authorized and adopted in accordance with the NRS, effective at the Effective Time.

The Restated Articles correctly set forth the text of the Corporation's Articles of Incorporation as amended up to and by the Restated Articles.

ARTICLE I

The name of this Corporation is Acreage Holdings WC, Inc.

ARTICLE II

The purpose of this Corporation is to engage in any lawful act or activity for which a corporation may be organized under the NRS.

ARTICLE III

(A) **Authorized Capital**. The Corporation is authorized to issue two classes of shares to be designated, respectively, "***Class A Voting Common Shares***", "***Class B Non-Voting Fixed Common Shares***" and "***Class B Non-Voting Floating Common Shares***" and collectively, the "***Common Shares***." The total number of Common Shares which the Corporation is authorized to issue is 2,000,000,000 shares, each with a par value of $0.001 per share, consisting of 1,000,000,000 Class A Voting Common Shares, 500,000,000 Class B Non-Voting Fixed Common Shares and 500,000,000 Class B Non-Voting Floating Common Shares. The number of authorized shares of any of the Class A Voting Common Shares, Class B Non-Voting Fixed Common Shares or Class B Non-Voting Floating Common Shares may be increased or decreased (but not below the number of shares then outstanding) by the affirmative vote of the holders of a majority of the voting power of all of the outstanding shares of the Corporation entitled to vote thereon. In the event of a reclassification, consolidation, division, dividend of securities or other recapitalization of Acreage Shares or Pubco Shares, the Corporation and the holders of Class A Voting Common Shares shall undertake all actions necessary and appropriate to maintain the same ratio between the number of Acreage Shares, Pubco Shares and the number of Common Shares issued and outstanding immediately prior to such reclassification, consolidation, division, dividend of securities or other recapitalization of Acreage Shares and/or Pubco Shares, as applicable, including, without limitation, effecting a reclassification, consolidation, division, dividend of securities or other recapitalization with respect to the Common Shares.

(B) **Recapitalization.** As of the Effective Time of the Restated Articles, each holder of Class B Non-Voting Common Shares will have received, in exchange for each Class B Non-Voting Common Share outstanding, 0.7 Class B Non-Voting Fixed Common Shares and 0.3 Class B Non-Voting Floating Common Shares in a transaction intended to qualify for U.S. tax purposes as a recapitalization under section 368(a)(1)(E) of the Internal Revenue Code of 1986, as amended.

(C) **Class A Voting Common Shares**.

1. General. The voting, dividend and liquidation rights of the holders of Class A Voting Common Shares are subject to and qualified by the rights, powers and privileges of the holders of Class B Non-Voting Fixed Common Shares and Class B Non-Voting Floating Common Shares set forth in these Restated Articles.

2. Dividend Rights. The holders of Class A Voting Common Shares, together with holders of Class B Non-Voting Fixed Common Shares and Class B Non-Voting Floating Common Shares on a pro-rata basis, shall be entitled to receive, when and as declared by the Board of Directors, out of any assets of the Corporation legally available therefor, such dividends as may be declared from time to time by the Board of Directors.

3. Voting Rights. Each holder of Class A Voting Common Shares shall be entitled to the number of votes equal to the number of Class A Voting Common Shares held. Holders of Class A Voting Common Shares shall vote together with all other classes entitled to vote at any annual or special meeting of the shareholders and not as a separate class, and may act by written consent. Any action required or permitted by the NRS to be taken at a shareholders' meeting may be taken without a meeting, if shareholders holding shares having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all of the shares entitled to vote thereon were present and voted consent to such action in writing.

4. Liquidation. Upon the dissolution or liquidation of the Corporation, whether voluntary or involuntary, holders of Class A Voting Common Shares, together with holders of Class B Non-Voting Fixed Common Shares and Class B Non-Voting Floating Common Shares on a pro-rata basis, will be entitled to receive all assets of the Corporation available for distribution to its shareholders.

5. Preferred Return. The holders of Class A Voting Common Shares, together with holders of Class B Non-Voting Fixed Common Shares and Class B Non-Voting Floating Common Shares on a pro-rata basis, shall be entitled to receive a distribution of any Class B Preferred Return Base Amount or Class B Preferred Return Amount (each as defined in the HSCP A&R Agreement) received by the Corporation from HSCP promptly following such receipt.

(D) **Class B Non-Voting Common Shares**.

1. Voting Rights. Except as otherwise specifically provided herein or by law, the holders of Class B Non-Voting Fixed Common Shares and Class B Non-Voting Floating Common Shares (the "*Class B Non-Voting Common Shares")* shall have no voting rights with respect to their Class B Non-Voting Common Shares.

2. 7 Year Put Option. On the seventh (7th) anniversary of the Effective Time, each holder of Class B Non-Voting Common Shares may, at its option and in accordance with the notice and other procedural provisions set forth in Article III(C)3 as applied to HSCP (the "*7 Year Put Option*"), sell all (but not less than all) of such holder's Class B Non-Voting Common Shares directly to HSCP in exchange for such holder's pro-rata portion (calculated on the basis of the holders of Class A Voting Common Shares together with holders of Class B Non-Voting Common Shares) of the Corporation's total Class B Option Consideration (as defined in the HSCP A&R Agreement).

3. Redemption and Exchange Rights.

a. Subject to the provisions set forth in this Article III(C), each holder of Class B Non-Voting Common Shares (other than Acreage, if applicable) shall be entitled to (the "***Redemption Right***") cause the Corporation to redeem its Class B Non-Voting Common Shares at any time, unless such holder of Class B Non-Voting Common Shares has entered into a contractual lock-up agreement in connection with the Arrangement Agreement or otherwise and relating to the shares of Pubco that may be applicable to such holder of Class B Non-Voting Common Shares, and then beginning on the date such lock-up agreement has been waived or terminated as it applies to such holder of Class B Non-Voting Common Shares (a "***Redemption***"). A holder of Class B Non-Voting Common Shares desiring to exercise its Redemption Right (the "***Redeeming Holder***") shall exercise such right by giving written notice (the "***Redemption Notice***") to the Corporation with a copy to Acreage and Pubco. The Redemption Notice shall specify (i) the number of Class B Non-Voting Common Shares (the "***Redeemed Shares***"), that the Redeeming Holder intends to have the Corporation redeem; provided that the proportion of Redeemed Shares subject to a Redemption by a Redeeming Holder must be 70% Class B Non-Voting Fixed Common Shares and Class B Non-Voting Floating Common Shares; and (ii) a date (unless and to the extent that the Corporation in its sole discretion agrees in writing to waive such time periods) at least three Business Days in the future on which exercise of the Redemption Right shall be completed (the "***Redemption Date***"); provided that the Corporation, Acreage, Pubco and the Redeeming Holder may change the number of Redeemed Shares and/or the Redemption Date specified in such Redemption Notice to another number and/or date by mutual agreement signed in writing by each of them. Unless the Redeeming Holder has revoked or delayed a Redemption as provided in Article III(C)3.c, on the Redemption Date (to be effective immediately prior to the close of business on the Redemption Date) (A) the Redeeming Holder shall transfer and surrender the Redeemed Shares to the Corporation, free and clear of all liens and encumbrances, and (B) the Corporation, either itself or through its appointed transfer agent, shall transfer to the Redeeming Holder the consideration to which the Redeeming Holder is entitled under Article III(C)3.b, *provided* that, if such Class B Non-Voting Common Shares are certificated, the Corporation, either itself or through its appointed transfer agent, shall issue to the Redeeming Holder a certificate for a number of Class B Non-Voting Common Shares equal to the difference (if any) between the number of Class B Non-Voting Common Shares evidenced by the certificate surrendered by the Redeeming Holder pursuant to clause (B) of this Article III(C)3.a and the Redeemed Shares.

b. In exercising its Redemption Right, a Redeeming Holder shall be entitled to receive the following:

i. In the event that Canopy USA has completed the Floating Share Acquisition, the Share Settlement (defined below) or the Cash Settlement (defined below); *provided* that the Corporation shall have the option to select whether the redemption payment is made by means of a Share Settlement or a Cash Settlement.

ii. In the event that Canopy USA has not completed the Floating Share Acquisition, the Class B Floating Share Settlement or the Class B Floating Cash Settlement for the Class B Non-Voting Floating Common Shares and the Class B Fixed Share Settlement or the Class B Fixed Cash Settlement for the Class B Non-Voting Fixed Common Shares; provided that the Board of Directors shall have the option to select whether the redemption payment relating to the (i) Class B Non-Voting Floating Common Shares is made by means of a Class B Floating Share Settlement or a Class B Floating Cash Settlement, and (ii) Class B Non-Voting Fixed Common Shares is made by means of a Class B Fixed Share Settlement or a Class B Floating Cash Settlement.

iii. Within three (3) Business Days of delivery of the Redemption Notice, the Corporation shall give written notice (the "***Contribution Notice***") to Acreage and Pubco (with a copy to the Redeeming Holder) of its intended settlement method; *provided* that if the Corporation does not timely deliver a Contribution Notice, the Corporation shall be deemed to have elected the Share Settlement method or the Class B Floating Share Settlement method with respect to the Class B Non-Voting Floating Common Shares and the Class B Fixed Share Settlement method with respect to the Class B Non-Voting Fixed Common Shares, as applicable.

c. In the event the Corporation elects a Share Settlement, a Class B Fixed Share Settlement, or a Class B Floating Share Settlement, as applicable, in connection with a Redemption, a Redeeming Holder shall be entitled to revoke its Redemption Notice or delay the consummation of a Redemption if any of the following conditions exists: (i) any registration statement pursuant to which the resale of the Pubco Shares or Acreage Shares, as applicable, to be registered for such Redeeming Holder at or immediately following the consummation of the Redemption shall have ceased to be effective pursuant to any action or inaction by the Canadian Securities Exchange or any other Governmental Entity having jurisdiction over the Pubco Shares or Acreage Shares, as applicable, or no such resale registration statement has yet become effective; (ii) if the Redemption is conditional on the resulting Pubco Shares or Acreage Shares, as applicable, being qualified for distribution under a prospectus on terms which Pubco or Acreage, as applicable, has agreed to and Pubco or Acreage, as applicable, shall have failed to cause such prospectus to be filed and receipted by the applicable securities regulatory authorities in accordance with the conditions to the Redemption; (iii) Pubco or Acreage, as applicable, shall have exercised its right to defer, delay or suspend the filing or effectiveness of a registration statement and such deferral, delay or suspension shall affect the ability of such Redeeming Holder to have its Pubco Shares or Acreage Shares, as applicable, registered at or immediately following the consummation of the Redemption; (iv) Pubco or Acreage, as applicable, shall have disclosed to such Redeeming Holder any material non-public information concerning Pubco or Acreage, as applicable, the receipt of which could reasonably be determined to result in such Redeeming Holder being prohibited or restricted from selling Pubco Shares or Acreage Shares, as applicable, at or immediately following the Redemption without disclosure of such information (and Pubco or Acreage, as applicable, does not permit disclosure); (v) any stop order or cease trade order relating to the Pubco Shares or Acreage Shares, as applicable, shall have been issued by the Canadian Securities Exchange or any other applicable exchange or an applicable securities regulatory authority; (vi) there shall have occurred a material disruption in the securities markets generally or in the market or markets in which the Pubco Shares or Acreage Shares, as applicable, are then traded; (vii) there shall be in effect an injunction, a restraining order or a decree of any nature of any Governmental Entity that restrains or prohibits the Redemption; or (viii) the Redemption Date would occur three (3) Business Days or less prior to, or during, a Black-Out Period; *provided further*, that in no event shall the Redeeming Holder seeking to revoke its Redemption Notice or delay the consummation of such Redemption and relying on any of the matters contemplated in clauses (i) through (viii) above have controlled or intentionally materially influenced any facts, circumstances, or persons in connection therewith (except in the good faith performance of his or her duties as an officer or director of Pubco or Acreage, as applicable) in order to provide such Redeeming Holder with a basis for such delay or revocation. If a Redeeming Holder delays the consummation of a Redemption pursuant to this Article III(C)3.b, the Redemption Date shall occur on the fifth (5^{th}) Business Day following the date on which the conditions giving rise to such delay cease to exist (or such earlier day as the Corporation, Pubco or Acreage, as applicable, and such Redeeming Holder may agree in writing).

d. The number of Pubco Shares, Acreage Shares or the Redeemed Shares Equivalent, Class B Fixed Redeemed Shares Equivalent or Class B Floating Redeemed Shares Equivalent that a Redeeming Holder is entitled to receive under Article III(C)3.b (through a Share Settlement or Cash Settlement or through a Class B Floating Share Settlement or Class B Floating Cash Settlement or through a Class B Fixed Share Settlement or Class B Fixed Cash Settlement, as applicable) shall not be adjusted on account of any dividends previously paid with respect to Pubco Shares or Acreage Shares, as applicable; *provided, however*, that if a Redeeming Holder causes the Corporation to redeem Redeemed Shares and the Redemption Date occurs subsequent to the record date for any dividend with respect to the Redeemed Shares but prior to payment of such dividend, the Redeeming Holder shall be entitled to receive such dividend with respect to the Redeemed Shares on the date that it is made notwithstanding that the Redeeming Holder transferred and surrendered the Redeemed Shares to the Corporation prior to such date.

e. In the event of a reclassification or other similar transaction as a result of which either the Pubco Shares or Acreage Shares are converted into another security, then in exercising its Redemption Right a Redeeming Holder shall be entitled to receive the amount of such security that the Redeeming Holder would have received if such Redemption Right had been exercised and the Redemption Date had occurred immediately prior to the record date (or effective date in the event that there is no associated record date) of such reclassification or other similar transaction.

f. *Exchange Right of Pubco or its Affiliates*.

i. Notwithstanding anything to the contrary in this Article III, the Corporation may, in its sole and absolute discretion, assign to Pubco or one of its affiliates, on the Redemption Date, the right to directly consummate the exchange of (i) Redeemed Shares for the Share Settlement or Cash Settlement, as the case may be, through a direct exchange of such Redeemed Shares and such consideration between the Redeeming Holder and Pubco or its affiliate (as applicable); or (ii) Redeemed Shares for the Class B Fixed Share Settlement or the Class B Fixed Cash Settlement or the Class B Floating Share Settlement or the Class B Floating Cash Settlement, as the case may be, through a direct exchange of such Redeemed Shares and such consideration between the Redeeming Holder and Pubco or its affiliate (as applicable) (each of (i) and (ii), a "***Direct Exchange***"). Upon such Direct Exchange pursuant to this Article III(C)3.f, Pubco or its affiliate (as applicable) shall acquire the Redeemed Shares and shall be treated for all purposes as the owner of such Redeemed Shares.

ii. The Corporation may, at any time prior to a Redemption Date, deliver written notice (an "***Exchange Election Notice***") to Pubco or its affiliate (as applicable) and the Redeeming Holder setting forth its election to assign to Pubco or its affiliate (as applicable) its right to consummate a Direct Exchange; *provided* that such election does not prejudice the ability of the parties to consummate a Redemption or Direct Exchange on the Redemption Date. An Exchange Election Notice may be revoked by the Corporation at any time; *provided* that any such revocation does not prejudice the ability of the parties to consummate a Redemption or Direct Exchange on the Redemption Date. The right to consummate a Direct Exchange in all events shall be exercisable for all the Redeemed Shares that would have otherwise been subject to a Redemption. Except as otherwise provided by this Article III(C)3.f.ii, a Direct Exchange shall be consummated pursuant to the same timeframe and in the same manner as the relevant Redemption would have been consummated if the Corporation had not delivered an Exchange Election Notice.

g. *Corporation or Acreage Option*. At any time immediately following the Effective Time, if Canopy USA completes the Floating Share Acquisition, then Pubco shall have an option to acquire all but not less than all of the outstanding Class B Non-Voting Common Shares for the Share Settlement (the "***Class B Share Option***"), which shall be exercisable by written notice to each of the holders of Class B Non-Voting Common Shares. In the event that Canopy USA does not complete the Floating Share Acquisition, then Pubco shall not have the Class B Share Option but shall only have the option to acquire all but not less than all of the outstanding Class B Fixed Shares for the Class B Fixed Share Settlement (the "***Pubco Fixed Share Option***"). If Pubco exercises the Pubco Fixed Share Option then (i) Pubco shall complete the exchange of the Class B Fixed Shares for the Class B Fixed Share Settlement as if each holder of the Class B Non-Voting Common Shares had exercised its Redemption Right pursuant to Article III(C)3, and (ii) the Corporation or Acreage, as applicable, shall complete the exchange of the Class B Floating Shares for the Class B Floating Share Settlement as if each holder of Class B Non-Voting Common Shares had exercised its Redemption Right pursuant to Article III(C)3.

4. Dividend Rights. The holders of Class B Non-Voting Common Shares, together with holders of Class A Voting Common Shares on a pro-rata basis, shall be entitled to receive, when and as declared by the Board of Directors, out of any assets of the Corporation legally available therefor, such dividends as may be declared from time to time by the Board of Directors.

5. Liquidation. Upon the dissolution or liquidation of the Corporation, whether voluntary or involuntary, holders of Class B Non-Voting Common Shares, together with holders of Class A Voting Common Shares on a pro-rata basis, will be entitled to receive all assets of the Corporation available for distribution to its shareholders.

6. Preferred Return. The holders of Class B Non-Voting Common Shares, together with holders of Class A Voting Common Shares on a pro-rata basis, shall be entitled to receive a distribution of any Class B Preferred Return Base Amount or Class B Preferred Return Amount (each as defined in the HSCP A&R Agreement) received by the Corporation from HSCP promptly following such receipt.

7. Definitions. As used in these Restated Articles:

a. "***Acreage***" means Acreage Holdings, Inc., a corporation existing under the laws of British Columbia, and any successors thereto.

b. "***Acreage Shares***" means the shares of Acreage, as authorized in the constating documents of Acreage.

c. "***Amended Plan of Arrangement***" means the amended and restated plan of arrangement attached as Schedule A to the Amending Agreement.

d. "***Amending Agreement***" means that certain Second Amendment to the Arrangement Agreement dated as of September 23, 2020 between Acreage and Pubco.

e. "***Arrangement Agreement***" means that certain arrangement agreement by and between Pubco and Acreage dated as of April 18, 2019, as amended on May 15, 2019, September 23, 2020 and November 17, 2020.

f. "***Black-Out Period***" means any "black-out" or similar period under Acreage's or Pubco's policies covering trading in Acreage's or Pubco's securities to which the applicable Redeeming Holder is subject, which period restricts the ability of such Redeeming Holder to immediately resell the Acreage Shares or Pubco Shares to be delivered to such Redeeming Holder in connection with a Share Settlement.

g. "***Business Day***" means any day other than a Saturday or a Sunday or a day on which the principal securities exchange on which the Pubco Shares are traded or quoted is closed or banks located in Toronto, Ontario, Canada or Las Vegas, Nevada generally are authorized or required by law to close.

h. "***Canopy USA***" means Canopy USA, LLC, a limited liability company existing under the laws of the State of Delaware, together with its successors and assigns.

i. "***Cash Settlement***" means immediately available funds in U.S. dollars in an amount equal to the Redeemed Shares Equivalent.

j. "***Class B Exchange Ratio***" has the meaning of the term "Exchange Ratio" as set forth in the Amended Plan of Arrangement.

k. "**Class B Fixed Cash Settlement**" means immediately available funds in U.S. dollars in an amount equal to the Class B Fixed Redeemed Shares Equivalent.

l. *"**Class B Fixed Redeemed Shares Equivalent***" means the product of (a) the Class B Fixed Share Settlement and (b) the Class B Fixed Share Redemption Price.

m. "***Class B Fixed Share Redemption Price***" means the volume weighted average price for a Fixed Share on the principal securities exchange on which the Fixed Shares are traded or quoted, as reported by Bloomberg, L.P., or its successor, for each of the thirty (30) consecutive full Trading Days ending on and including the last full Trading Day immediately prior to the Redemption Date, subject to appropriate and equitable adjustment for any stock splits, reverse splits, stock dividends or similar events affecting the Fixed Shares. If the Fixed Shares no longer trade on a securities exchange or automated or electronic quotation system, then the Board of Directors shall determine the Class B Fixed Share Redemption Price in good faith.

n. "***Class B Fixed Share Settlement***" means a number of Pubco Shares equal to (x) the number of Redeemed Shares multiplied by 0.7, multiplied by (y) the Class B Exchange Ratio. If the Pubco Shares are no longer traded on a securities exchange or automated or electronic quotation system, then the Board of Directors shall determine the Class B Fixed Share Settlement in good faith.

o. *"**Class B Floating Cash Settlement***" means immediately available funds in U.S. dollars in an amount equal to the Class B Floating Redeemed Shares Equivalent.

p. "***Class B Floating Ratio***" has the meaning of the term "Exchange Ratio" as set forth in the Floating Share Plan of Arrangement.

q. *"**Class B Floating Redeemed Shares Equivalent***" means the product of (a) the Class B Floating Share Settlement and (b) the Class B Floating Share Redemption Price.

r. "***Class B Floating Share Redemption Price***" means either (i) in the event that Canopy USA has completed the Floating Share Acquisition, the volume weighted average price for a Pubco Share on the principal securities exchange on which the Pubco Shares are traded or quoted, as reported by Bloomberg, L.P., or its successor, for each of the five (5) consecutive full Trading Days ending on and including the last full Trading Day immediately prior to the Redemption Date, subject to appropriate and equitable adjustment for any stock splits, reverse splits, stock dividends or similar events affecting the Pubco Shares; or (ii) in the event that Canopy USA has not completed the Floating Share Acquisition, the volume weighted average price for an Acreage Share on the principal securities exchange on which the Acreage Shares are traded or quoted, as reported by Bloomberg, L.P., or its successor, for each of the thirty (30) consecutive full Trading Days ending on and including the last full Trading Day immediately prior to the Redemption Date, subject to appropriate and equitable adjustment for any stock splits, reverse splits, stock dividends or similar events affecting the Acreage Shares. If the Pubco Shares or the Acreage Shares no longer trade on a securities exchange or automated or electronic quotation system, then the Board of Directors shall determine the Class B Floating Share Redemption Price in good faith.

s. "***Class B Floating Share Settlement***" means either (i) in the event that Canopy USA has completed the Floating Share Acquisition, a number of Pubco Shares equal to (x) the number of Redeemed Shares multiplied by 0.3, multiplied by (y) the Class B Floating Ratio; or (ii) in the event that Canopy USA has not completed the Floating Share Acquisition, a number of Acreage Shares equal to the number of Redeemed Shares multiplied by 0.3. If the Pubco Shares or the Acreage Shares are no longer traded on a securities exchange or automated or electronic quotation system, then the Board of Directors shall determine the Class B Floating Share Settlement in good faith.

t. "***Fixed Shares***" means the Class E subordinate voting shares of Acreage to be created pursuant to the Amended Plan of Arrangement, each entitling the holder thereof to one vote per share at shareholder meetings of Acreage, and any securities into which they may be converted.

u. "***Floating Share Acquisition***" means the acquisition by Canopy USA of the Floating Shares pursuant to the Floating Share Arrangement Agreement.

v. "***Floating Share Arrangement Agreement***" means that certain arrangement agreement by and between Pubco, Canopy USA and Acreage dated as of October 24, 2022.

w. "***Floating Share Plan of Arrangement***" means the plan of arrangement attached as Schedule A to the Floating Share Arrangement Agreement.

x. "***Floating Shares***" means the Class D subordinate voting shares of Acreage created pursuant to the Amended Plan of Arrangement, each entitling the holder to one vote per share at shareholder meetings of Acreage, and any capital securities into which they may be converted.

y. "***Governmental Entity***" means (a) the United States of America, (b) any other sovereign nation, (c) any state, province, district, territory or other political subdivision of (a) or (b) of this definition, including any county, municipal or other local subdivision of the foregoing, or (d) any entity exercising executive, legislative, judicial, regulatory or administrative functions of government on behalf of (a), (b) or (c) of this definition.

z. "***HSCP***" means High Street Capital Partners, LLC, d/b/a Acreage Holdings, a Delaware limited liability company.

aa. "***HSCP A&R Agreement***" means that certain Fourth Amended and Restated Limited Liability Company Agreement of HSCP, dated as of the Effective Time.

bb. "***Permitted Transfer***" means a transfer pursuant to (i) a Redemption in accordance with Article III(C)2 hereof; (ii) a transfer by a shareholder to Pubco or any of its subsidiaries including the Corporation; (iii) a transfer by any shareholder to such shareholder's spouse, any lineal ascendants or descendants or trusts or other entities in which such shareholder or shareholder's spouse, lineal ascendants or descendants hold (and continue to hold while such trusts or other entities hold Class A Voting Common Shares or Class B Non-Voting Common Shares) 50% or more of such entity's beneficial interests; (iv) the laws of descent and distribution; (v) a transfer to a partner, shareholder, member or affiliated investment fund of such shareholder; or (vi) a transfer to any other shareholder of the Corporation.

cc. "***Pubco***" means Canopy Growth Corporation, a corporation existing under the laws of Canada, together with its successors and assigns.

dd. "***Pubco Shares***" means the common shares of Pubco, as authorized in the constating documents of Pubco.

ee. "***Redeemed Shares Equivalent***" means the sum of (a) the Class B Fixed Share Settlement multiplied by the Class B Fixed Share Redemption Price, plus (b) the Class B Floating Share Settlement multiplied by the Class B Floating Share Redemption Price.

ff. "***Share Settlement***" means a number of Pubco Shares equal to (x) the Class B Fixed Share Settlement, plus (y) the Class B Floating Share Settlement multiplied by the Class B Floating Ratio. If the Pubco Shares are no longer traded on a securities exchange or automated or electronic quotation system, then the Board of Directors shall determine the Share Settlement in good faith.

gg. "***Trading Day***" means a day on which the principal securities exchange on which either the Acreage Shares or Pubco Shares, as applicable, are traded or quoted is open for the transaction of business (unless such trading shall have been suspended for the entire day).

ARTICLE IV

The Corporation shall at all times reserve and keep available out of its authorized but unissued shares or other securities of each class, the number of shares or securities of such class required to be available for issuance pursuant to these Restated Articles; provided that nothing contained herein shall be construed to preclude the Corporation from satisfying its obligations in respect of any such issuance by delivery of Class A Voting Common Shares or Class B Non-Voting Common Shares which are held in the treasury of the Corporation.

ARTICLE V

These Restated Articles may be amended or modified with the consent of the Board of Directors, the written consent or affirmative vote of the holders of a majority of the then outstanding Common Shares, and Kevin Murphy for so long as Kevin Murphy retains such consent right under the HSCP A&R Agreement.

ARTICLE VI

No holder of any of the shares now or hereafter issued by the Corporation may transfer, and the Corporation shall not register the transfer of, any interest (legal or beneficial) in any shares of the Corporation, whether by sale, transfer, assignment, pledge, encumbrance, gift, bequest, appointment or otherwise, whether with or without consideration and whether voluntary or involuntary or by operation of law, without the prior written consent of the Board of Directors, which consent may not be unreasonably withheld, except as a Permitted Transfer. Without limiting the generality of the forgoing, the Board of Directors may withhold its consent to a transfer in instances where a proposed transfer would violate applicable law, including securities laws.

ARTICLE VII

The Corporation's mailing address is 366 Madison Avenue, 11th Floor, New York, NY 10017.

ARTICLE VIII

The name of the Corporation's agent for service of process is Cogency Global Inc. and is located at the Nevada address of 321 W. Winnie Lane #104, Carson City, NV 89703. Any notices required by the NRS to be sent to the Corporation may be sent to the registered agent at the above address until the principal office of the Corporation has been designated in an annual report.

ARTICLE IX

No holder of any of the shares now or hereafter issued by the Corporation is entitled as a matter of right to subscribe for or acquire any part of the unissued or treasury shares of the Corporation of any class whatsoever or to subscribe for or acquire any additional shares, whether common, preferred, or of any other class, to be issued by reason of any increase in the authorized capital of the Corporation, or to subscribe for or acquire any securities convertible into such shares or carrying a right to subscribe to or acquire such shares. Any and all such unissued shares, treasury shares, such additional authorized issue of new shares and such securities convertible into or carrying a right to subscribe for or acquire shares may be issued, allotted, and disposed of to such persons and for such lawful consideration and upon such terms as the Board of Directors may deem advisable and in the best interests of the Corporation.

ARTICLE X

(A) Limitation of Director Liability. The liability of the directors of this Corporation for monetary damages shall be eliminated to the fullest extent permissible under Nevada law.

(B) Indemnification of Agents. This Corporation is authorized to provide indemnification of its directors, officers, employees or agents to the fullest extent permitted under Chapter 78, Section 7502 of the NRS and in accordance with Chapter 78, Section 751 of the NRS.

(C) Subsequent Amendment. No amendment, termination or repeal of this article or relevant provisions of the NRS or any other applicable laws shall affect or diminish in any way the rights of any director, officer, employee or agent to indemnification under the provisions hereof in connection with any action or proceeding arising out of, or relating to, any actions, transactions or facts occurring prior to the final adoption of such amendment, termination or repeal.

(D) Subsequent Legislation. If the NRS or any other applicable law is amended after approval by the shareholders of this article to further expand the indemnification permitted to directors or officers of the Corporation, then the Corporation shall indemnify such person to the fullest extent permissible under the NRS or other applicable law, as so amended.

ARTICLE XI

The effective date and time of filing is _____, 20__ at 17:00 Las Vegas time (the "***Effective Time***").

The undersigned authorized officer of the Corporation has executed these Third Amended and Restated Articles of Incorporation, certifying that the facts herein stated are true, this ___ day of ____, 20__.

By: _____
Name: _____
Title: Secretary

Exhibit 10.2

EXECUTION VERSION

VOTING SUPPORT AGREEMENT

THIS AGREEMENT is made as of October 24, 2022

AMONG:

[●] (the "**Shareholder**")

- and -

CANOPY GROWTH CORPORATION, a corporation existing under the federal laws of Canada ("**Canopy**")

- and -

CANOPY USA, LLC, a limited liability company existing under the laws of State of Delaware (the "**Purchaser**")

RECITALS:

WHEREAS, in connection with an arrangement agreement between the Purchaser, Canopy and Acreage Holdings, Inc. (the "**Company**") dated as of the date hereof (as may be amended, modified or supplemented from time to time in accordance with its terms, the "**Arrangement Agreement**"), the Purchaser proposes to, among other things, acquire all of the terms Class D subordinate voting shares of the Company (the "**Company Floating Shares**");

AND WHEREAS, it is contemplated that the proposed transaction will be effected pursuant to an arrangement under Section 288 of the *Business Corporations Act* (British Columbia) (the "**Arrangement**") provided for in the plan of arrangement set out in the Arrangement Agreement (the "**Plan of Arrangement**");

AND WHEREAS, the Shareholder is the beneficial owner, directly or indirectly, of the Subject Shares (as defined below) listed on the Shareholder's signature page attached to this Agreement;

AND WHEREAS, this Agreement sets out the terms and conditions of the agreement of the Shareholder to abide by the covenants in respect of the Subject Shares and the other restrictions and covenants set forth herein;

NOW THEREFORE, in consideration of the mutual covenants and agreements set forth in this Agreement and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged) the Parties hereto agree as follows:

ARTICLE 1
INTERPRETATION

1.1 Definitions.

Unless indicated otherwise, where used in this Agreement, capitalized terms used but not defined shall have the meanings ascribed thereto in the Arrangement Agreement and the following terms shall have the following meanings (and grammatical variations of such terms have corresponding meanings), including the recitals:

"**affiliate**" of any Person means, at the time such determination is being made, any other Person controlling, controlled by or under common control with such first Person, in each case, whether directly or indirectly, and "control" and any derivation thereof means the holding of voting securities of another entity sufficient to elect a majority of the board of directors (or the equivalent) of such entity;

"**Agreement**" means this voting support agreement dated as of the date hereof between the Shareholder, Canopy and the Purchaser, as it may be amended, modified or supplemented from time to time in accordance with its terms;

"**Arrangement**" has the meaning ascribed thereto in the recitals hereof;

"**Arrangement Agreement**" has the meaning ascribed thereto in the recitals hereof;

"**Effective Date**" has the meaning specified in Section 1.1 of the Plan of Arrangement;

"**Effective Time**" means 12:00 a.m. (Vancouver time) on the Effective Date, or such other time on the Effective Date as the Parties agree to in writing before the Effective Date;

"**Business Day**" means any day of the year, other than a Saturday, Sunday or any day on which major banks are generally closed for business in Toronto, Ontario or Vancouver British Columbia or New York, New York, as the context requires;

"**Canopy**" has the meaning ascribed thereto in the recitals hereof;

"**Circular**" means the notice of the Meeting and accompanying proxy statement, including all schedules, appendices and exhibits to, and information incorporated by reference in, such proxy statement, to be sent to the Company Floating Shareholders in connection with the Meeting, as amended, supplemented or otherwise modified from time to time in accordance with the terms of the Arrangement Agreement;

"**Company**" has the meaning ascribed thereto in the recitals hereof;

"**Company Floating Options**" has the meaning specified in the Arrangement Agreement;

"**Company Floating Share Units**" has the meaning specified in the Arrangement Agreement;

"**Company Floating Shareholders**" means the registered or beneficial holders of the Company Floating Shares, as the context requires;

"**Company Floating Shares**" has the meaning ascribed thereto in the recitals hereof;

"**Existing Agreement**" means the arrangement agreement between the Company and Canopy dated April 18, 2019, as amended on May 15, 2019, September 23, 2020 and November 17, 2020;

"**Governmental Entity**" means (i) any international, multinational, national, federal, provincial, state, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitral body, commission, commissioner, board, bureau, ministry, agency or instrumentality, domestic or foreign, (ii) any subdivision or authority of any of the above, (iii) any quasi- governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing, or (iv) any stock exchange;

"**High Street Units**" has the meaning specified in the Arrangement Agreement;

"**Meeting**" means the special meeting of Company Floating Shareholders, including any adjournment or postponement of such special meeting in accordance with the terms of the Arrangement Agreement, to be called to consider approval of the Arrangement;

"**Notice**" has the meaning ascribed thereto in Section 4.7;

"**Parties**" means the Shareholder, Canopy and the Purchaser and "**Party**" means any one of them;

"**Person**" includes any individual, partnership, association, body corporate, organization, trust, estate, trustee, executor, administrator, legal representative, government (including Governmental Entity), syndicate or other entity, whether or not having legal status;

"**Purchaser**" has the meaning ascribed thereto in the recitals hereof;

"**Resolution**" means the special resolution of the Company Floating Shareholders approving the Arrangement to be considered at the Meeting.

"**Securities Authority**" means all applicable securities regulatory authorities, including the applicable securities commissions or similar regulatory authorities in each of the provinces of Canada;

"**SEDAR**" means the System for Electronic Document Analysis Retrieval.

"**Shareholder**" has the meaning ascribed thereto in the recitals hereof;

"**Subject Shares**" means the Company Floating Shares and other securities listed on the Shareholder's signature page attached to this Agreement convertible into Company Floating Shares and any Company Floating Shares acquired by the Shareholder or any of its affiliates subsequent to the date hereof, and includes all securities which such Subject Shares may be converted into, exchanged for or otherwise changed into;

"**Subsidiary**" has the meaning specified in National Instrument 45-106 – *Prospectus Exemptions* as in effect on the date of the Arrangement Agreement; and

"**USCo2 Class B Shares**" has the meaning specified in the Arrangement Agreement.

1.2 Gender and Number.

Any reference to gender includes all genders. Words importing the singular number only include the plural and vice versa.

1.3 Currency.

All references to dollars or to "$" are references to United States dollars.

1.4 Headings.

The division of this Agreement into Articles, Sections and Schedules and the insertion of the recitals and headings are for convenient reference only and do not affect the construction or interpretation of this Agreement and, unless otherwise stated, all references in this Agreement or in the Schedules hereto to Articles, Sections and Schedules refer to Articles, Sections and Schedules of and to this Agreement or of the Schedules in which such reference is made, as applicable.

1.5 Date for any Action.

A period of time is to be computed as beginning on the day following the event that began the period and ending at 4:30 p.m. (Toronto Time) on the last day of the period, if the last day of the period is a Business Day, or at 4:30 p.m. (Toronto Time) on the next Business Day if the last day of the period is not a Business Day. If the date on which any action is required or permitted to be taken under this Agreement by a Person is not a Business Day, such action shall be required or permitted to be taken on the next succeeding Business Day.

ARTICLE 2
REPRESENTATIONS AND WARRANTIES

2.1 Representations and Warranties of the Shareholder.

The Shareholder represents and warrants to the Purchaser and Canopy (and acknowledges that the Purchaser and Canopy are relying on these representations and warranties in completing the transactions contemplated hereby and by the Arrangement Agreement) that:

(a) The Shareholder, if the Shareholder is not a natural person, is a corporation or other entity validly existing under the laws of the jurisdiction of its existence.

(b) The Shareholder, if the Shareholder is not a natural person, has the requisite corporate power and authority to enter into and perform its obligations under this Agreement. This Agreement has been duly executed and delivered by the Shareholder and constitutes a legal, valid and binding agreement of the Shareholder enforceable against the Shareholder in accordance with its terms, subject only to any limitation under bankruptcy, insolvency or other applicable laws affecting the enforcement of creditors' rights generally and the discretion that a court may exercise in the granting of equitable remedies such as specific performance and injunction.

(c) The Shareholder, directly or indirectly, exercises control or direction over all of the Subject Shares set forth the Shareholder's signature page attached to this Agreement. Other than the Subject Shares, neither the Shareholder nor any of its affiliates, beneficially own, directly or indirectly, or exercise control or direction over any securities convertible or exchangeable into any Company Floating Shares.

(d) As at the date hereof, the Shareholder is, and immediately following the record date for the Meeting the Shareholder will be, directly or indirectly, the sole beneficial owner of the Subject Shares listed on Schedule A hereto, with good and marketable title thereto.

(e) The Shareholder has the sole right to sell and vote or direct the sale and voting of the Subject Shares listed on Schedule A hereto.

(f) No Person has any agreement or option, or any right or privilege (whether by law, pre-emptive or contractual) capable of becoming an agreement or option, for the purchase, acquisition or transfer of any of the Subject Shares or any interest therein or right thereto, except the Purchaser pursuant to this Agreement or the Arrangement Agreement.

(g) No material consent, approval, order or authorization of, or declaration or filing with, any Person is required to be obtained by the Shareholder in connection with the execution and delivery of this Agreement by the Shareholder and the performance by the Shareholder of the Shareholder's obligations under this Agreement, other than those that are contemplated by the Arrangement Agreement.

(h) None of the Subject Shares are subject to any proxy, voting trust, vote pooling or other agreement with respect to the right to vote, call meetings of any of the Company's securityholders or give consents or approvals of any kind, except this Agreement or as contemplated by the Arrangement Agreement.

(i) None of the execution and delivery by the Shareholder of this Agreement or the completion of the transactions by the Shareholder contemplated hereby or the compliance by the Shareholder with its obligations hereunder will violate, contravene, result in any breach of, or be in conflict with, or constitute a default under, or create a state of facts which after notice or lapse of time or both would constitute a default under, any term or provision of: (i) any constating documents of the Shareholder (if the Shareholder is not a natural person); (ii) any contract to which the Shareholder is a party or by which the Shareholder is bound; (iii) any judgment, decree, order or award of any Governmental Entity applicable to the Shareholder; or (iv) any law applicable to the Shareholder, except in each case as would not reasonably be expected, individually or in the aggregate, to materially impair the ability of the Shareholder to perform its obligations hereunder.

2.2 Representations and Warranties of Canopy.

Canopy represents and warrants to the Shareholder (and acknowledges that the Shareholder is relying on these representations and warranties in completing the transactions contemplated hereby and by the Arrangement Agreement) that:

(a) Canopy is a corporation duly incorporated and validly existing under the federal laws of Canada and has the requisite corporate power and authority to enter into and perform its obligations under this Agreement and the Arrangement Agreement. This Agreement has been duly executed and delivered by Canopy and constitutes a legal, valid and binding agreement of Canopy enforceable against Canopy in accordance with its terms subject only to any limitation under bankruptcy, insolvency or other applicable laws affecting the enforcement of creditors' rights generally and the discretion that a court may exercise in the granting of equitable remedies such as specific performance and injunction.

(b) None of the execution and delivery by Canopy of this Agreement or the compliance by Canopy with Canopy's obligations hereunder or Canopy's completion of the transactions contemplated herein and in the Arrangement Agreement will violate, contravene, result in any breach of, or be in conflict with, or constitute a default under, or create a state of facts which after notice or lapse of time or both would constitute a default under, any term or provision of: (i) any constating documents of Canopy; (ii) any contract to which Canopy is a party or by which Canopy is bound; (iii) any judgment, decree, order or award of any Governmental Entity; or (iv) any applicable law.

(c) No material consent, approval, order or authorization of, or declaration or filing with, any Governmental Entity is required to be obtained by Canopy in connection with the execution and delivery of this Agreement and the performance by it of its obligations under this Agreement, other than those which are contemplated by the Arrangement Agreement.

2.3 Representations and Warranties of the Purchaser.

The Purchaser represents and warrants to the Shareholder (and acknowledges that the Shareholder is relying on these representations and warranties in completing the transactions contemplated hereby and by the Arrangement Agreement) that:

(a) The Purchaser is a limited liability company duly formed and validly existing under the laws of the State of Delaware and has the requisite power and authority to enter into and perform its obligations under this Agreement and the Arrangement Agreement. This Agreement has been duly executed and delivered by the Purchaser and constitutes a legal, valid and binding agreement of the Purchaser enforceable against the Purchaser in accordance with its terms subject only to any limitation under bankruptcy, insolvency or other applicable laws affecting the enforcement of creditors' rights generally and the discretion that a court may exercise in the granting of equitable remedies such as specific performance and injunction.

(b) None of the execution and delivery by the Purchaser of this Agreement or the compliance by the Purchaser with the Purchaser's obligations hereunder or the Purchaser's completion of the transactions contemplated herein and in the Arrangement Agreement will violate, contravene, result in any breach of, or be in conflict with, or constitute a default under, or create a state of facts which after notice or lapse of time or both would constitute a default under, any term or provision of: (i) any constating documents of the Purchaser; (ii) any contract to which the Purchaser is a party or by which the Purchaser is bound; (iii) any judgment, decree, order or award of any Governmental Entity; or (iv) any applicable law.

(c) No material consent, approval, order or authorization of, or declaration or filing with, any Governmental Entity is required to be obtained by the Purchaser in connection with the execution and delivery of this Agreement and the performance by it of its obligations under this Agreement, other than those which are contemplated by the Arrangement Agreement.

ARTICLE 3
COVENANTS

3.1 Covenants of the Shareholder.

(a) The Shareholder hereby covenants and agrees in favour of the Purchaser and Canopy that, from the date hereof until the termination of this Agreement in accordance with Section 4.1, except as permitted by this Agreement:

(i) at any meeting of securityholders of the Company called to vote upon the Resolution or the transactions contemplated by the Arrangement Agreement or at any adjournment or postponement thereof or in any other circumstances upon which a vote, consent or other approval with respect to the Resolution or the transactions contemplated by the Arrangement Agreement is sought (including by written consent in lieu of a meeting), the Shareholder shall cause all its Subject Shares which carry the right to vote at such meeting to be counted as present for purposes of establishing quorum and shall vote (or cause to be voted) all its Subject Shares which carry the right to vote at such meeting in favour of the Resolution and the transactions contemplated by the Arrangement Agreement;

(ii) at any meeting of securityholders of the Company or at any adjournment or postponement thereof or in any other circumstances upon which a vote, consent or other approval of all or some of the securityholders of the Company is sought in respect of any matter that could reasonably be expected to delay, prevent, impede or frustrate the successful completion of the Arrangement and each of the transactions contemplated by the Arrangement Agreement (the "**Prohibited Matters**") (including by written consent in lieu of a meeting), the Shareholder shall cause all its Subject Shares which carry the right to vote at such meeting to be counted as present for purposes of establishing quorum and shall vote (or cause to be voted) all its Subject Shares which carry the right to vote at such meeting against the Prohibited Matters;

(iii) the Shareholder shall revoke any and all proxies previously granted or voting instruction forms or other voting documents previously delivered that may conflict or be inconsistent with the Shareholder's covenants and agreements set forth in this Agreement;

(iv) the Shareholder agrees that he or she will not, directly or indirectly (i) sell, transfer, assign, grant a participation interest in, option, pledge, hypothecate, grant a security interest in or otherwise convey or encumber (each, a "**Transfer**"), or enter into any agreement, option or other arrangement to Transfer any of its Subject Shares to any Person prior to the record date for the Meeting, other than pursuant to the Arrangement Agreement, or (ii) grant any proxies or power of attorney, deposit any of its Subject Shares into any voting trust or enter into any voting arrangement, whether by proxy, voting agreement or otherwise, with respect to its Subject Shares, other than as contemplated in this Agreement;

(v) the Shareholder shall not exercise any rights of appraisal or rights of dissent, as applicable, in respect of the Resolution or the transactions contemplated by the Arrangement Agreement that the Shareholder may have; and

(vi) without limiting the generality of Section 4.13, no later than five Business Days prior to the date of the Meeting: (i) with respect to any Subject Shares that are registered in the name of the Shareholder and entitled to vote at the Meeting, the Shareholder shall deliver or cause to be delivered, in accordance with the instructions set out in the Circular, a duly executed proxy or proxies directing the holder of such proxy or proxies to vote in favour of the Resolution, with a copy to Canopy concurrently with such delivery; and (ii) with respect to any Subject Shares that are beneficially owned by the Shareholder but not registered in the name of the Shareholder, the Shareholder shall deliver a duly executed voting instruction form to the intermediary through which the Shareholder holds its beneficial interest in the Shareholder's Subject Shares, instructing that the Shareholder's Subject Shares be voted at the Meeting in favour of the Resolution, with a copy to Canopy concurrently with such delivery . Such proxy or proxies shall name those individuals as may be designated by the Company in the Circular and such proxy or proxies or voting instructions shall not be revoked, withdrawn or modified without the prior written consent of Canopy and the Purchaser.

(b) From the date hereof until the termination of this Agreement in accordance with Section 4.1, subject to Section 4.5, the Shareholder will not, and will ensure that its affiliates do not, directly or indirectly, through any officer, director, employee, representative or agent or otherwise:

(i) solicit proxies or become a participant in a solicitation of proxies in opposition to or competition with the transactions contemplated by the Arrangement;

(ii) assist any Person in taking or planning any action that would reasonably be expected to compete with, restrain or otherwise serve to interfere with or inhibit the transactions contemplated by the Arrangement;

(iii) act jointly or in concert with others with respect to voting securities of the Company for the purpose of opposing or competing with the transactions contemplated by the Arrangement Agreement; or

(iv) knowingly encourage any effort or attempt by any other Person to do or seek to do any of the foregoing.

(c) The Shareholder hereby consents to, to the extent required by Law:

(i) details of this Agreement being set out in any press release, proxy statement, including the Circular, and court documents produced by the Company or Canopy or any of their respective affiliates in connection with the Arrangement in accordance with the provisions of the Arrangement Agreement; and

(ii) this Agreement being made publicly available, including by filing on SEDAR operated on behalf of the Securities Authorities with all reasonable redactions made at the request of the Shareholder.

(d) Except as required by applicable law or stock exchange requirements, the Shareholder will not, and will ensure that its affiliates and representatives do not, make any public announcement with respect to the transactions contemplated herein or pursuant to the Arrangement Agreement without the prior written approval of Canopy and the Purchaser.

ARTICLE 4
GENERAL

4.1 Termination.

This Agreement will terminate and be of no further force or effect upon the earliest to occur of:

(a) the mutual agreement in writing of the Shareholder and Canopy;

(b) the date, if any, that the Arrangement Agreement is terminated in accordance with its terms;

(c) the Effective Time;

(d) unless extended by mutual agreement of the Shareholder, on the one hand, and the Purchaser, on the other hand, on the Outside Date if the Effective Time has not yet occurred; or

(e) the date that the Shareholder provides written notice to the Purchaser of the termination of this Agreement following the Arrangement Agreement or the terms of the Arrangement being amended such that (i) the consideration to be received by the Shareholder on an after-tax-basis is reduced, or (ii) the completion of the Arrangement is reasonably expected to take materially longer than the existing Outside Date.

4.2 Time of the Essence.

Time is of the essence in this Agreement.

4.3 Effect of Termination.

If this Agreement is terminated in accordance with the provisions of Section 4.1, no Party will have any further liability to perform any of its covenants and agreements under this Agreement, provided that neither the termination of this Agreement nor anything contained in Section 4.1 will relieve any Party from any liability for any breach by it of this Agreement, including from any inaccuracy in its representations and warranties and any non-performance by it of its covenants and agreements made herein.

4.4 Equitable Relief.

The Parties agree that irreparable harm would occur for which money damages would not be an adequate remedy at law in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the Parties shall be entitled to injunctive and other equitable relief to prevent breaches of this Agreement, and to enforce compliance with the terms of this Agreement without any requirement for the securing or posting of any bond in connection with the obtaining of any such injunctive or other equitable relief, this being in addition to any other remedy to which the Parties may be entitled at law or in equity.

4.5 Capacity and Fiduciary Duty.

The Purchaser and Canopy each hereby agree and acknowledge that the Shareholder is bound hereunder solely in his or her capacity as a shareholder of the Company and that the provisions of this Agreement shall not be deemed or interpreted to bind the Shareholder or any of its affiliates or their directors, officers, shareholders, employees or agents in his or her capacity as a director or officer of the Company or any of its Subsidiaries. For the avoidance of doubt, nothing in this Agreement shall limit or restrict any Party from properly fulfilling his or her fiduciary duties as a director or officer of the Company or any of its Subsidiaries and nothing in this Agreement shall prevent a Shareholder who is a member of the board of directors or an officer of the Company from engaging, in such Shareholder's capacity as a director or officer of the Company or any of its Subsidiaries.

4.6 Control

If any of the Subject Shares are held through a nominee, corporation, trust or other legal entity, including but not limited to a broker or other financial intermediary, over which the Shareholder has control as defined in the legislation governing the ownership of the property of such nominee, corporation, trust or other legal entity (either alone or in conjunction with any other Person), the Shareholder will vote or will cause to be voted such Subject Shares and exercise its power and authority to ensure that this Agreement is complied with by such nominee, corporation, trust or other legal entity.

4.7 Waiver; Amendment.

The Parties agree and confirm that any provision of this Agreement may be amended or waived if, and only if, such amendment or waiver is in writing and signed, in the case of an amendment, by all of the Parties or in the case of a waiver, by the Party against whom the waiver is to be effective. No waiver of any of the provisions of this Agreement will constitute a waiver of any other provision (whether or not similar). No waiver will be binding unless executed in writing by the Party to be bound by the waiver. A Party's failure or delay in exercising any right under this Agreement will not operate as a waiver of that right. A single or partial exercise of any right will not preclude a Party from any other or further exercise of that right or the exercise of any other right. No waiver of any of the provisions of this Agreement will be deemed to constitute a waiver of any other provision (whether or not similar).

4.8 Entire Agreement.

This Agreement constitutes the entire agreement among the Parties with respect to the subject matter hereof and supersedes all prior agreements and understandings among the Parties with respect thereto.

4.9 Notices.

Any notice, or other communication given regarding the matters contemplated by this Agreement (each a "**Notice**") (must be in writing, sent by personal delivery, courier or electronic mail and addressed:

(a) to Canopy at:

Canopy Growth Corporation
1 Hershey Drive
Smith Falls, ON K7A 0A8

Attention: Christelle Gedeon
Email: **[PERSONAL INFORMATION REDACTED]**

with copies (which shall not constitute notice) to:

Cassels Brock & Blackwell LLP
2100 Scotia Plaza, 40 King Street West
Toronto, ON M5H 3C2

Attention: Jonathan Sherman
Email: jsherman@cassels.com

and

Attention: Jamie Litchen
Email: jlitchen@cassels.com

(b) to the Purchaser at:

Canopy USA, LLC
35715 Hwy 40, Ste D102
Evergreen, Colorado
80439

Attention: Legal
Email: **[PERSONAL INFORMATION REDACTED]**

(c) to the Shareholder, at the address set out in the Shareholder's signature page attached to this Agreement.

Any Notice or other communication is deemed to be given and received (i) if sent by personal delivery, same day courier or electronic mail, on the date of delivery if it is a Business Day and the delivery was made prior to 4:00 p.m. (local time in place of receipt) and otherwise on the next Business Day or (ii) if sent by overnight courier, on the next Business Day. A Party may change its address for service from time to time by providing Notice in accordance with the foregoing. Any subsequent Notice or other communication must be sent to the Party at its changed address. Any element of a Party's address that is not specifically changed in a Notice will be assumed not to be changed. Sending a copy of a Notice or other communication to a Party's legal counsel as contemplated above is for information purposes only and does not constitute delivery of the Notice or other communication to that Party. The failure to send a copy of a Notice or other communication to legal counsel does not invalidate delivery of that notice or other communication to a Party.

4.10 Severability.

If any provision of this Agreement is determined to be illegal, invalid or unenforceable by an arbitrator or any court of competent jurisdiction, that provision will be severed from this Agreement and the remaining provisions shall remain in full force and effect. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in an acceptable manner to the end that the transactions contemplated hereby are fulfilled to the fullest extent possible.

4.11 Successors and Assigns.

The provisions of this Agreement will be binding upon and enure to the benefit of the Parties hereto and their respective heirs, administrators, executors, legal representatives, successors and permitted assigns, provided that no Party may assign, delegate or otherwise transfer any of its rights, interests or obligations under this Agreement without the prior written consent of the other Parties hereto.

4.12 Independent Legal Advice.

Each of the Parties hereby acknowledges that it has been afforded the opportunity to obtain independent legal advice and confirms by the execution and delivery of this Agreement that they have either done so or waived their right to do so in connection with the entering into of this Agreement.

4.13 Further Assurances.

The Parties hereto will, with reasonable diligence, do all things and provide all such reasonable assurances as may be required to consummate the transactions contemplated by this Agreement, and the Parties will provide such further documents or instruments required by the other Parties as may be reasonably necessary or desirable to effect the purpose of this Agreement and carry out its provisions.

4.14 Expenses

Each of the Parties shall pay its respective legal, financial advisory and accounting costs and expenses incurred in connection with the preparation, execution and delivery of this Agreement and all documents and instruments executed or prepared pursuant hereto and any other costs and expenses whatsoever and howsoever incurred.

4.15 Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia and of Canada applicable therein. The Parties irrevocably attorns and submits to the exclusive jurisdiction of the British Columbia courts situated in the City of Vancouver and waives objection to the venue of any proceeding in such court or that such court provides an inconvenient forum.

4.16 Counterparts.

This Agreement may be executed in any number of counterparts (including counterparts delivery by facsimile or similar electronic copy) and all such counterparts taken together shall be deemed to constitute one and the same instrument. The Parties shall be entitled to rely upon delivery of an executed facsimile or similar executed electronic copy of this Agreement, and such facsimile or similar executed electronic copy shall be legally effective to create a valid and binding agreement between the Parties.

[*Remainder of page intentionally left blank.]*

IN WITNESS OF WHICH the Parties have executed this Agreement as at the date first above written.

CANOPY GROWTH CORPORATION

Per: _____
Authorized Signing Officer
I have authority to bind the company.

CANOPY USA, LLC

Per: _____
Authorized Signing Officer
I have authority to bind the company.

IN WITNESS OF WHICH the Parties have executed this Agreement as at the date first above written.

[Shareholder]

(Print Name of Shareholder)

(Place of Residency)

(Print Name and Title)

Address:

Telephone:

Email:

(Number of Company Floating Shares Held)

(Number of High Street Units Held)

(Number of USCo2 Class B Shares Held)

(Number of Company Floating Options Held)

(Number of Company Floating Share Units Held)

Exhibit 10.3

Execution Version

FIRST AMENDMENT TO CREDIT AGREEMENT AND INCREMENTAL INCREASE ACTIVATION NOTICE

This **FIRST AMENDMENT TO CREDIT AGREEMENT AND INCREMENTAL INCREASE ACTIVATION NOTICE** (this "Amendment") is dated as of October 24, 2022 and entered into by and among **HIGH STREET CAPITAL PARTNERS, LLC**, a Delaware limited liability company ("Borrower"), **ACREAGE HOLDINGS, INC.**, a corporation existing under the laws of the Province of British Columbia ("Parent"), each lender identified on the signature pages hereof (each such lender, together with its respective successors and permitted assigns, is referred to hereinafter, individually as a "Lender" and collectively, as the "Lenders"), **[***]**, a Delaware limited liability company, as co-agent for the Lenders (in such capacity, together with its successors and assigns in such capacity, "Administrative Agent"), and **VRT AGENT LLC**, a Delaware limited liability company, as co-agent for the Lenders (in such capacity, together with its successors and assigns in such capacity, "Co Agent"). Capitalized terms used herein without definition shall have the same meanings herein as set forth in the Existing Credit Agreement (as defined below).

PRELIMINARY STATEMENTS:

WHEREAS, Borrower, Parent, the Lenders and Agents are parties to that certain Credit Agreement, dated as of December 16, 2021 (as amended, restated or otherwise modified from time to time prior to the date hereof, the "Existing Credit Agreement").

WHEREAS, pursuant to Section 2.2(c) of the Existing Credit Agreement, Borrower has requested the Incremental Increase in the aggregate principal amount of $50,000,000;

WHEREAS, Parent, Borrower, Agents and the Incremental Lenders (as defined below) have agreed, upon the terms and subject to the conditions set forth herein, that the Incremental Lenders will provide the Incremental Increase and that, as permitted by Section 2.2(c)(v) of the Existing Credit Agreement, the Existing Credit Agreement will be amended as set forth herein without additional consent or approval of the other Lenders;

WHEREAS, each party to this Amendment designated as a "Incremental Lender" on its signature page hereto (each, an "Incremental Lender" and collectively, the "Incremental Lenders") wishes to provide the Incremental Increase in an aggregate amount equal to the amount set forth opposite such Incremental Lender's name on Exhibit A hereto on the terms set forth herein; and

WHEREAS, Parent, Borrower, Agents, the Lenders and the Incremental Lenders are willing to agree to this Amendment and the Amended Credit Agreement (as defined below) on the terms set forth herein.

*CERTAIN IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THE EXHIBIT BECAUSE IT IS BOTH NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE REGISTRANT IF PUBLICLY DISCLOSED. [***] INDICATES THAT INFORMATION HAS BEEN REDACTED.

NOW, THEREFORE, in consideration of the premises and the agreements, provisions and covenants herein contained, the parties hereto agree as follows:

Section 1. INCREMENTAL INCREASE; INCREMENTAL INCREASE ACTIVATION NOTICE.

1.1 Borrower and each Incremental Lender hereby notify Agents that:

A. Subject to the terms and conditions set forth herein, each of the Incremental Increase Lenders agrees to provide the Incremental Increase in an aggregate amount equal to the amount set forth under the heading "Incremental Increase Commitment" opposite such Incremental Lender's name on Annex I hereto on the Effective Date (as defined below).

B. The Incremental Increase Effective Date for the Incremental Increase shall be deemed to be the date on which all the conditions precedent in Section 4 are satisfied.

C. For the avoidance of doubt, the loans made pursuant to the Incremental Increase of the Incremental Lenders shall constitute Term Loans for all purposes under the Amended Credit Agreement and under the other Loan Documents.

D. Any requirement for Borrower to provide notice with respect to the Incremental Increase of the Incremental Lenders pursuant to Section 2.2(c) of the Existing Credit Agreement is hereby waived.

Section 2. AMENDMENT TO EXISTING CREDIT AGREEMENT.

2.1 Rules of Construction. The rules of construction specified in Section 1.4 of the Existing Credit Agreement shall apply to this Amendment, including the terms defined in the preamble and recitals hereto.

2.2 Amendments To Existing Credit Agreement. Subject to the satisfaction of the conditions set forth in Section 4 and in accordance with Section 2.2(c) and Section 15.1 of the Existing Credit Agreement, the Existing Credit Agreement is hereby amended as follows:

A. The Existing Credit Agreement is hereby amended to delete the bold, stricken text (indicated textually in the same manner as the following example: **~~stricken text~~**) and to add the bold, double-underlined text (indicated textually in the same manner as the following example: **double-underlined text**) as set forth in the pages of the Amended Credit Agreement and certain of the Exhibits thereto attached as Exhibit B hereto.

B. Exhibit B to the Existing Credit Agreement is hereby amended and restated in its entirety in the form attached hereto as Exhibit C.

C. Schedule C-1 to the Existing Credit Agreement is hereby amended and restated in its entirety in the form attached hereto as Exhibit D.

Section 3. REPRESENTATIONS AND WARRANTIES

In order to induce Lenders and the Incremental Increase Lenders to enter into this Amendment and to amend the Existing Credit Agreement in the manner provided herein, Borrower represents and warrants to Agents, the Lenders and the Incremental Increase Lenders that the following statements are true, correct and complete:

A. Corporate Power and Authority. Borrower has all requisite corporate power and authority to enter into this Amendment and to carry out the transactions contemplated by, and perform its obligations under the Existing Credit Agreement, as amended by this Amendment (the "Amended Credit Agreement").

B. **Authorization of Agreements**. The execution and delivery of this Amendment has been duly authorized by all necessary corporate action on the part of Borrower, as the case may be.

C. **No Conflict**. The execution and delivery of this Amendment will not (i) violate any Laws, the organization documents of Borrower or any order, judgment or decree of any court or other agency of government binding on the Loan Parties, (ii) conflict with, result in a breach of or constitute (with due notice or lapse of time or both) a default under any contractual obligation of Borrower, (iii) result in or require the creation or imposition of any Lien upon any of the properties or assets of Borrower (other than the Liens created under the Security Agreement, any Mortgage or any other Loan Document), or (iv) require any approval or consent of any Person under any contractual obligations of the Loan Parties.

D. **No Material Adverse Effect**. No requirements of law or contractual obligations applicable to any Loan Party could reasonably be expected, either individually or in the aggregate, to have a Material Adverse Effect.

E. **Governmental Consents**. The execution and delivery by Borrower of this Amendment does not and will not require any registration with, consent or approval of, or notice to, or other action to, with or by, any federal, state or other governmental authority or regulatory body.

F. **Binding Obligation**. This Amendment has been duly executed and delivered by the Loan Parties and this Amendment and the Amended Credit Agreement are the legally valid and binding obligations of Borrower, enforceable against Borrower in accordance with their respective terms.

G. **Incorporation of Representations and Warranties From Existing Credit Agreement**. The representations and warranties contained in Section 4 of the Existing Credit Agreement are and will be true, correct and complete in all material respects on and as of the date hereof to the same extent as though made on and as of that date, except to the extent such representations and warranties specifically relate to an earlier date, in which case they were true, correct and complete in all material respects on and as of such earlier date.

Section 4. CONDITIONS TO EFFECTIVENESS

A. The effectiveness of this Amendment is conditioned upon Agents' receipt, in form and substance satisfactory to Agents, of the following (such date of satisfaction, the "Effective Date"):

(i) this Amendment, duly executed by Borrower, Parent and the Guarantors;

(ii) the payment by Borrower of a nonrefundable amendment fee in the amount of $1,250,000 payable to Agents for the ratable benefit of the Lenders and Incremental Lenders;

(iii) the payment by Borrower of (i) the Agent Fee attributable to the Incremental Increase in the amount of $**[***]** and (ii) the Original Issue Discount attributable to the Incremental Increase in the amount of $2,000,000, payable as follows: (1) $1,500,000 upon disbursement by Administrative Agent to Borrower of the Second Term Loan; and (2) $500,000 upon disbursement of the Third Term Loans by Administrative Agent to Borrower during the Draw Period;

(iv) any customary resolutions duly adopted by the board of directors (or equivalent governing body) of Borrower authorizing the Incremental Increase reasonably requested by Agents in connection with the Incremental Increase;

(v) evidence that all taxes shown on such tax returns to be due and payable and all assessments, fees and other similar governmental charges imposed by a tax authority upon a Loan Party set forth on Schedule 4.17 have been paid;

(vi) satisfaction of the conditions precedent set forth in Section 3.2 of the Amended Credit Agreement;

(vii) payment of (a) all reasonable fees, costs and expenses incurred in connection with the negotiation, preparation, execution and delivery of this Amendment and any related documents, and (b) all reasonable and documented fees and expenses of Agents' outside legal counsel in connection with the foregoing;

(viii) No Default or Event of Default shall have occurred and be continuing; and

(ix) such other documents, and completion of such other matters, as Agent may reasonably deem necessary or appropriate in connection with the foregoing.

Section 5. ACKNOWLEDGEMENT AND CONSENT

Each Guarantor listed on the signature pages hereof (each, a "Guarantor") hereby acknowledges and agrees that any of the Loan Documents to which it is a party or otherwise bound shall continue in full force and effect and that all of its obligations thereunder shall be valid and enforceable and shall not be impaired or limited by the execution or effectiveness of this Amendment. Each Guarantor represents and warrants that all representations and warranties contained in the Amended Credit Agreement and the Transaction Documents to which it is a party or otherwise bound are true, correct and complete in all material respects on and as of the date hereof to the same extent as though made on and as of that date, except to the extent such representations and warranties specifically relate to an earlier date, in which case they were true, correct and complete in all material respects on and as of such earlier date.

Each Guarantor acknowledges and agrees that (i) notwithstanding the conditions to effectiveness set forth in this Amendment, such Guarantor is not required by the terms of the Existing Credit Agreement or any other Loan Document to consent to the amendments to the Amended Credit Agreement effected pursuant to this Amendment and (ii) nothing in the Amended Credit Agreement, this Amendment or any other Loan Document shall be deemed to require the consent of such Guarantor to any future amendments to the Amended Credit Agreement.

Section 6. MISCELLANEOUS

A. Reference to and Effect on the Credit Agreement and the Other Loan Documents.

(i) On and after the date hereof, each reference in the Existing Credit Agreement to "this Agreement", "hereunder", "hereof", "herein" or words of like import referring to the Existing Credit Agreement, and each reference in the other Loan Documents to the "Credit Agreement", "thereunder", "thereof" or words of like import referring to the Existing Credit Agreement shall mean and be a reference to the Amended Credit Agreement.

(ii) Except as specifically amended by this Amendment, the Existing Credit Agreement and the other Loan Documents shall remain in full force and effect and are hereby ratified and confirmed.

(iii) The execution, delivery and performance of this Amendment shall not, except as expressly provided herein, constitute a waiver of any provision of, or operate as a waiver of any right, power or remedy of Agents or any Lender under, the Existing Credit Agreement or any of the other Loan Documents.

(iv) This Amendment is a Loan Document.

B. Fees and Expenses. Borrower acknowledges that all costs, fees and expenses incurred with respect to this Amendment and the documents and transactions contemplated hereby shall be provided for as described in the Existing Credit Agreement.

C. Headings. Section and subsection headings in this Amendment are included herein for convenience of reference only and shall not constitute a part of this Amendment for any other purpose or be given any substantive effect.

D. Applicable Law. THIS AMENDMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY, AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE INTERNAL LAWS OF THE STATE OF NEW YORK, WITHOUT REGARD TO CONFLICTS OF LAWS PRINCIPLES.

E. Counterparts; Effectiveness. This Amendment may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed an original, but all such counterparts together shall constitute but one and the same instrument; signature pages may be detached from multiple separate counterparts and attached to a single counterpart so that all signature pages are physically attached to the same document. This Amendment shall become effective upon the execution of a counterpart hereof by Borrower, the Lenders, Guarantors and Agent and receipt by the Borrower and Agents of written notification of such execution and authorization of delivery thereof.

[Remainder of page intentionally left blank]

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

BORROWER:

HIGH STREET CAPITAL PARTNERS, LLC

By: /s/ Steve Goertz
Name: Steve Goertz
Title: Authorized Signatory

PARENT:

ACREAGE HOLDINGS, INC.

By: /s/ Steve Goertz
Name: Steve Goertz
Title: Authorized Signatory

GUARANTORS:

ACREAGE CCF NEW JERSEY, LLC; ACREAGE CHICAGO 1, LLC; ACREAGE CONNECTICUT, LLC; ACREAGE HOLDINGS OF NJ, LLC; ACREAGE IP HOLDINGS LLC; ACREAGE NEW YORK, LLC; ACREAGE TRANSPORTATION, LLC; GREENLEAF APOTHECARIES, LLC; GREENLEAF GARDENS, LLC; GREENLEAF THERAPEUTICS, LLC; HSC SOLUTIONS, LLC; IMPIRE STATE HOLDINGS LLC; IN GROWN FARMS, LLC; IN GROWN FARMS, LLC 2; NCC LLC; NPG, LLC; PRIME WELLNESS OF CONNECTICUT, LLC; PRIME WELLNESS OF PENNSYLVANIA, LLC; THE BOTANIST, INC.; ACREAGE CALIFORNIA HOLDING COMPANY, LLC; CWG BOTANICALS INC.; HSRC NORCAL, LLC; ACREAGE DESERT HOT SPRINGS, LLC; ACREAGE FINANCE DELAWARE, LLC; ACREAGE MASSACHUSETTS, LLC; HSCP SERVICE COMPANY HOLDINGS, INC.; HSCP SERVICE COMPANY, LLC; SOUTH SHORE BIO PHARMA, LLC; ACREAGE COMPASS, LLC; ACREAGE GEORGIA LLC; ACREAGE MARYLAND, LLC; NY MEDICINAL RESEARCH & CARING, LLC; MA RMD SVCS, LLC; PRIME CONSULTING GROUP, LLC; ACREAGE IP MICHIGAN, LLC; ACREAGE MICHIGAN 1, LLC; ACREAGE MICHIGAN 2, LLC; ACREAGE MICHIGAN 3, LLC; ACREAGE MICHIGAN 4, LLC; ACREAGE MISSOURI, LLC; HSCP MISSOURI, LLC; PRIME ALTERNATIVE TREATMENT CENTER CONSULTING, LLC; ACREAGE OKLAHOMA, LLC; ACREAGE RELIEF HOLDINGS OK, LLC; 22ND AND BURN INC.; HSCP OREGON, LLC; THE FIRESTATION 23, INC.; and ACREAGE IOWA, LLC

By: **High Street Capital Partners, LLC,**
a Delaware limited liability company

their: Sole Member

By: /s/ Steve Goertz
Name: Steve Goertz
Title: Authorized Signatory

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

GUARANTORS:

HIGH STREET CAPITAL PARTNERS, LLC

By: /s/ Steve Goertz
Name: Steve Goertz
Title: Authorized Signatory

ACREAGE HOLDINGS, INC.

By: /s/ Steve Goertz
Name: Steve Goertz
Title: Authorized Signatory

ACREAGE IP CONNECTICUT, LLC

By: /s/ Steve Goertz
Name: Steve Goertz
Title: Authorized Signatory

D&B WELLNESS, LLC

By: /s/ Steve Goertz
Name: Steve Goertz
Title: Authorized Signatory

THAMES VALLEY APOTHECARY, LLC

By: /s/ Steve Goertz
Name: Steve Goertz
Title: Authorized Signatory

HSCP HOLDING CORPORATION

By: /s/ Steve Goertz
Name: Steve Goertz
Title: Authorized Signatory

NYCANNA, LLC

By: /s/ Steve Goertz
Name: Steve Goertz
Title: Authorized Signatory

THE WELLNESS & PAIN MANAGEMENT CONNECTION, LLC

By: /s/ Steve Goertz
Name: Steve Goertz
Title: Authorized Signatory

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

GUARANTORS:

NCC REAL ESTATE, LLC

By: /s/ Steve Goertz
Name: Steve Goertz
Title: Authorized Signatory

ACREAGE ILLINOIS 1, LLC

By: /s/ Steve Goertz
Name: Steve Goertz
Title: Authorized Signatory

ACREAGE ILLINOIS 2, LLC

By: /s/ Steve Goertz
Name: Steve Goertz
Title: Authorized Signatory

ACREAGE ILLINOIS 3, LLC

By: /s/ Steve Goertz
Name: Steve Goertz
Title: Authorized Signatory

ACREAGE ILLINOIS 4, LLC

By: /s/ Steve Goertz
Name: Steve Goertz
Title: Authorized Signatory

ACREAGE ILLINOIS 5, LLC

By: /s/ Steve Goertz
Name: Steve Goertz
Title: Authorized Signatory

ACREAGE ILLINOIS 6, LLC

By: /s/ Steve Goertz
Name: Steve Goertz
Title: Authorized Signatory

ACREAGE IP NEW YORK, LLC

By: /s/ Steve Goertz
Name: Steve Goertz
Title: Authorized Signatory

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

GUARANTORS:

ACREAGE IP OHIO, LLC

By: /s/ Steve Goertz
Name: Steve Goertz
Title: Authorized Signatory

ACREAGE IP PENNSYLVANIA, LLC

By: /s/ Steve Goertz
Name: Steve Goertz
Title: Authorized Signatory

ACREAGE HOLDINGS AMERICA, INC.

By: /s/ Steve Goertz
Name: Steve Goertz
Title: Authorized Signatory

ACREAGE HOLDINGS WC, INC.

By: /s/ Steve Goertz
Name: Steve Goertz
Title: Authorized Signatory

ACREAGE CONN. CBD, LLC

By: /s/ Steve Goertz
Name: Steve Goertz
Title: Authorized Signatory

ACREAGE IP CALIFORNIA, LLC

By: /s/ Steve Goertz
Name: Steve Goertz
Title: Authorized Signatory

BRAEBURN, LLC

By: /s/ Steve Goertz
Name: Steve Goertz
Title: Authorized Signatory

GRAVENSTEIN FOODS, LLC

By: /s/ Steve Goertz
Name: Steve Goertz
Title: Authorized Signatory

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

GUARANTORS:

MADE BY SCIENCE LLC

By: /s/ Steve Goertz
Name: Steve Goertz
Title: Authorized Signatory

FORM FACTORY HOLDINGS, LLC

By: /s/ Steve Goertz
Name: Steve Goertz
Title: Authorized Signatory

ACREAGE ILLINOIS HOLDING COMPANY, LLC

By: /s/ Steve Goertz
Name: Steve Goertz
Title: Authorized Signatory

ACREAGE FLORIDA 1, LLC

By: /s/ Steve Goertz
Name: Steve Goertz
Title: Authorized Signatory

IOWA RELIEF, LLC

By: /s/ Steve Goertz
Name: Steve Goertz
Title: Authorized Signatory

ACREAGE IP MAINE, LLC

By: /s/ Steve Goertz
Name: Steve Goertz
Title: Authorized Signatory

ACREAGE IP MARYLAND, LLC

By: /s/ Steve Goertz
Name: Steve Goertz
Title: Authorized Signatory

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

GUARANTORS:

ACREAGE MISSOURI, LLC

By: /s/ Steve Goertz
Name: Steve Goertz
Title: Authorized Signatory

ACREAGE IP NEVADA, LLC

By: /s/ Steve Goertz
Name: Steve Goertz
Title: Authorized Signatory

ACREAGE OK HOLDINGS, LLC

By: /s/ Steve Goertz
Name: Steve Goertz
Title: Authorized Signatory

ACREAGE IP OREGON, LLC

By: /s/ Steve Goertz
Name: Steve Goertz
Title: Authorized Signatory

EAST 11TH, INCORPORATED

By: /s/ Steve Goertz
Name: Steve Goertz
Title: Authorized Signatory

GESUNDHEIT FOODS, LLC

By: /s/ Steve Goertz
Name: Steve Goertz
Title: Authorized Signatory

GRUNER APFEL LLC

By: /s/ Steve Goertz
Name: Steve Goertz
Title: Authorized Signatory

GRANNY SMITH CO., LLC

By: /s/ Steve Goertz
Name: Steve Goertz
Title: Authorized Signatory

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

ACREAGE NORTH DAKOTA, LLC

By: /s/ Steve Goertz
Name: Steve Goertz
Title: Authorized Signatory

ACREAGE IP MASSACHUSETTS, LLC

By: /s/ Steve Goertz
Name: Steve Goertz
Title: Authorized Signatory

ACREAGE IP NEW JERSEY, LLC

By: /s/ Steve Goertz
Name: Steve Goertz
Title: Authorized Signatory

ACREAGE IP NEW JERSEY, LLC

By: /s/ Steve Goertz
Name: Steve Goertz
Title: Authorized Signatory

HIGH STREET CAPITAL PARTNERS MANAGEMENT, LLC

By: /s/ Kevin P. Murphy
Name: Kevin P. Murphy
Title: Majority Member

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

AGENTS:

[***], a Delaware limited liability company, as Administrative Agent

By: [***]
Name: [***]
Title: Authorized Signatory

VRT AGENT LLC, a Delaware limited liability company, as Co-Agent

By: /s/ Steven Miller
Name: Steven Miller
Title: Chief Investment Officer

LENDERS:

AFC GAMMA, INC., a Maryland corporation, as a Lender

By: /s/ Gabriel Katz
Name: Gabriel Katz
Title: Authorized Signatory

[***], a Delaware limited liability company, as a Lender

By: [***]
Name: [***]
Title: Authorized Signatory

VIRIDESCENT REALTY TRUST, INC., a Delaware corporation, as a Lender

By: /s/ Steven Miller
Name: Steven Miller
Title: Chief Investment Officer

Exhibit A

[***]

Exhibit D

[see attached]

Execution Version

CREDIT AGREEMENT

by and among

HIGH STREET CAPITAL PARTNERS, LLC

as Borrower,

ACREAGE HOLDINGS, INC.,

as Parent,

THE OTHER LOAN PARTIES THAT ARE PARTY HERETO,

THE LENDERS THAT ARE PARTY HERETO,

as Lenders,

AFC AGENT LLC,

as Administrative Agent

and

VRT AGENT LLC,
as Co-Agent

Dated as of December 16, 2021, as amended by the First Amendment to Credit Agreement, dated as of October 24, 2022.

THIS INDEBTEDNESS GOVERNED HEREBY HAS BEEN ISSUED WITH ORIGINAL ISSUE DISCOUNT FOR U.S. FEDERAL INCOME TAX PURPOSES. FOR FURTHER INFORMATION REGARDING THE ISSUE PRICE, THE AMOUNT OF ORIGINAL ISSUE DISCOUNT, THE ISSUE DATE AND THE YIELD TO MATURITY OF SUCH INDEBTEDNESS, THE LENDER SHOULD CONTACT ~~JAMES DOHERTY~~ COREY SHEAHAN AT ADDRESS: ~~450 LEXINGTON~~ 366 MADISON AVENUE, ~~#3308~~14TH FLOOR, NEW YORK, NEW YORK, ~~10163~~ 10017 AND E-MAIL: [***] WHO WILL PROMPTLY MAKE SUCH INFORMATION AVAILABLE.

*CERTAIN IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THE EXHIBIT BECAUSE IT IS BOTH NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE REGISTRANT IF PUBLICLY DISCLOSED. [***] INDICATES THAT INFORMATION HAS BEEN REDACTED.

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CREDIT AGREEMENT

CREDIT AGREEMENT (this "Agreement"), is entered into as of December 16, 2021, by and among **HIGH STREET CAPITAL PARTNERS, LLC**, a Delaware limited liability company ("Borrower"), **ACREAGE HOLDINGS, INC.**, a corporation existing under the laws of the Province of British Columbia ("Parent"), each lender identified on the signature pages hereof (each such lender, together with its respective successors and permitted assigns, is referred to hereinafter, individually as a "Lender" and collectively, as the "Lenders"), **AFC AGENT LLC**, a Delaware limited liability company, as co-agent for the Lenders (in such capacity, together with its successors and assigns in such capacity, "Administrative Agent"), and **VRT AGENT LLC**, a Delaware limited liability company, as co-agent for the Lenders (in such capacity, together with its successors and assigns in such capacity, "Co Agent").

W I T N E S S E T H:

The parties hereto agree as follows:

1. DEFINITIONS AND CONSTRUCTION.

1.1 **Definitions**.

Capitalized terms used and not otherwise defined in this Agreement shall have the meanings assigned to such terms below:

"ABR" means, for any day, a rate per annum equal to the Prime Rate in effect on such day; provided that if ABR shall be less than 5.50%, such rate shall be deemed 5.50% for purposes of this Agreement. Any change in the ABR due to a change in the Prime Rate shall be effective from and including the effective date of such change in the Prime Rate.

"Acquisition" means the acquisition, directly or indirectly, by any Person of (a) a majority of the Stock of another Person or (b) all or substantially all of the assets of another Person, in each case (i) whether or not involving a merger or a consolidation with such other Person and (ii) whether in one transaction or a series of related transactions.

"Additional Documents" has the meaning specified therefor in Section 5.13.

"Additional Term Loan" has the meaning specified therefor in Section 2.1(d).

"Adjusted EBITDA" means, with respect to any period,

(a) EBITDA,

minus

(b) without duplication, the sum of the following amounts of Parent and its Subsidiaries for such period to the extent included in determining consolidated net earnings (or loss) for such period:

(i) extraordinary non-recurring or unusual gains and income, and

(ii) non-cash items increasing consolidated net earnings for such period (excluding any such non-cash item to the extent it represents the reversal of an accrual or reserve for potential cash item in any prior period), and

(iii) interest income,

plus

(c) without duplication, the sum of the following amounts of Parent and its Subsidiaries for such period to the extent included in determining consolidated net earnings (or loss) for such period:

(i) extraordinary non-recurring or unusual charges, losses or expenses, including for goodwill write-offs and write downs;

(ii) non-cash compensation expense, or other non-cash expenses or charges in each case arising from the granting of stock options, stock appreciation rights or similar arrangements;

(iii) **[***]**;

(iv) **[***]**;

(v) **[***]**;

(vi) fees, costs and expenses in connection with the Loan Documents (and excluding any payments of interest or principal); and

(vii) fees and expenses paid or reimbursed to Agents and the Lenders (and excluding any payments of interest or principal);

provided, that the aggregate amounts added back pursuant to clauses (c)(i), (c)(iii), (c)(v) through (vii) shall not exceed 10% of EBITDA ("EBITDA Cap") for such period (calculated prior to giving effect to such clauses (c)(i), (c)(iii). (c)(v) through (vii); provided, further that to the extent there is a portion of clause (c)(i) that is not added back due to the EBITDA Cap, an amount of extraordinary, non-recurring or unusual gains equal to such portion shall be included in EBITDA notwithstanding clause (b)(i).

"Administrative Agent" has the meaning specified therefor in the preamble to this Agreement.

"Affiliate" means, as applied to any Person, any other Person that controls, is controlled by, or is under common control with, such Person. For purposes of this definition, "control" means the possession, directly or indirectly through one or more intermediaries, of the power to direct the management and policies of a Person, whether through the ownership of Stock, by contract, or otherwise; *provided that*, for purposes of Section 6.12: (a) any Person which owns directly or indirectly ten percent (10.00%) or more of the Stock having ordinary voting power for the election of directors or other members of the governing body of a Person or ten percent (10.00%) or more of the partnership or other ownership interests of a Person (other than as a limited partner of such Person) shall be deemed an Affiliate of such Person, (b) each director (or comparable manager) of a Person shall be deemed to be an Affiliate of such Person, and (c) each partnership in which a Person is a general partner shall be deemed an Affiliate of such Person; and *provided, further,* that in no event shall Agents, the Lenders or their respective Affiliates be deemed to be Affiliates of any Loan Party for any purpose whatsoever. The term Affiliate excludes Canopy or any Subsidiaries of Canopy until ~~Canopy acquires the shares of Parent pursuant to the Canopy Arrangement Agreement~~the consummation of the Permitted Canopy Transaction.

"After Acquired Collateral" means any property of the Loan Parties that is added by Borrower or such Loan Party as Collateral after the Closing Date.

"Agent" and Agents" means each of Administrative Agent and Co-Agent.

"Agent Fee" has the meaning specified therefor in Section 2.6(b).

"Agent-Related Persons" means Agents, together with their Affiliates, officers, directors, employees, attorneys and agents.

"Agent's Account" means the Deposit Account of Administrative Agent identified on Schedule A-1 (or such other Deposit Account of Agents that has been designated as such, in writing, by Agents to Borrower and the Lenders).

"Agent's Liens" means the Liens granted by Borrower and the Loan Parties, as applicable, to Administrative Agent under the Loan Documents securing or purporting to secure the Obligations for the benefit of the Lender Group.

"Agreement" has the meaning specified therefor in the preamble to this Agreement.

"Anti-Money Laundering Laws" means all Applicable Laws that may be enforced by any Governmental Authority relating to anti-money laundering statutes, laws, regulations and rules, including, but not limited to the Bank Secrecy Act (31 U.S.C. §5311 et seq.; 12 U.S.C. §§1818(s) 1829(b), 1951-1959), as amended by the Patriot Act.

"Applicable Law" means any applicable United States or foreign federal, state, or local statute, law, ordinance, regulation, rule, code, order (whether executive, legislative, judicial or otherwise), judgment, injunction, notice, decree or other requirement or rule of law or legal process, or any other order of, or agreement issued, promulgated or entered into by any Governmental Authority, in each case related to the conduct and business of the applicable Person, including but not limited to any applicable Sanctions Laws, Anti-Money Laundering Laws or Environmental Laws; *provided, however*, that "Applicable Law" shall not mean any United States federal laws, rules, or regulations as they relate to cannabis or any other United States federal law the violation of which is predicated upon a violation of the Controlled Substances Act, 21 USC 801 et seq., as it applies to marijuana ("Federal Cannabis Law").

"Applicable Margin" means, with respect to any Term Loan, five and three quarters percent (5.75%) per annum.

"Application Event" means the occurrence of (a) a failure by Borrower to repay all of the Obligations (other than contingent obligations in respect of which no claim has been made) in full on the Maturity Date, (b) an Event of Default described in Section 8.1(d) or Section 8.1(e), or (c) any other Event of Default, subject to the expiration of any applicable cure period, and the election by the Required Lenders to require that payments and proceeds of Collateral be applied pursuant to Section 2.3(b)(ii).

"Arrangement Agreement" means that certain arrangement agreement, dated as of April 18, 2019, by and among Canopy and Acreage Holdings, Inc., as amended, restated or otherwise modified from time to time as permitted in accordance with the terms of this Agreement.

"Assignee" has the meaning specified therefor in Section 14.1(a).

"Assignment and Acceptance" means an Assignment and Acceptance Agreement substantially in the form of Exhibit A to this Agreement.

"Auditor" has the meaning specified therefor in Section 5.1(a).

"Authorized Person" means any one of the individuals identified on Schedule A-2, as such schedule is updated from time to time by written notice from Borrower to Agents and the Lenders.

"Bail-In Action" means the exercise of any Write-Down and Conversion Powers by the applicable EEA Resolution Authority in respect of any liability of an EEA Financial Institution.

"Bail-In Legislation" means, with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule.

"Bankruptcy Code" means title 11 of the United States Code, as in effect from time to time.

"Benefit Plan" means (i) any "defined benefit plan" (as defined in Section 3(35) of ERISA) for which Borrower or any of its Subsidiaries or ERISA Affiliates has been an "employer" (as defined in Section 3(5) of ERISA) within the past six (6) years and (ii) any Foreign Plan.

"Blocked Person" has the meaning specified therefor in Section 4.28(b).

"Board of Directors" means, as to any Person, the board of directors (or comparable governing body) of such Person or any committee thereof duly authorized to act on behalf of the board of directors (or comparable governing body).

"Borrower" has the meaning specified therefor in the preamble to this Agreement.

"Budget" has the meaning specified therefor in Schedule 3.6.

"Business Day" means any day that is not a Saturday, Sunday, or other day on which banks are authorized or required to close in the state of New York.

"Cannabis Law" means any applicable state, or local statute, law, ordinance, regulation, rule, code, order (whether executive, legislative, judicial or otherwise), judgment, injunction, notice, decree or other requirement or rule of law or legal process, or any other order of, or agreement issued, promulgated or entered into by any Governmental Authority, in each case related to the cultivation, manufacture, development, distribution, or sale of cannabis or products containing cannabis but in any event excluding any Federal Cannabis Laws.

"Cannabis License" means all permits, licenses, registrations, variances, land-use rights, clearances, consents, commissions, franchises, exemptions, orders, authorizations, and approvals from Regulatory Authorities authorizing the recipient to conduct business in accordance with the Cannabis Laws of each applicable jurisdiction, including specifically applicable licenses required by each of the Core States and their applicable regulations.

"Canopy" means Canopy Growth Corporation and its Affiliates.

"Capital Expenditures" means, with respect to any Person for any period, the aggregate amount of all expenditures by such Person during such period that are capital expenditures as determined in accordance with GAAP, which are paid in cash.

"Capitalized Lease Obligation" means that portion of the obligations under a Capital Lease that is required to be capitalized in accordance with GAAP.

"Capital Lease" means a lease that is required to be capitalized for financial reporting purposes in accordance with GAAP.

"Cash Equivalents" means (a) marketable direct obligations issued by, or unconditionally guaranteed by, the United States or issued by any agency thereof and backed by the full faith and credit of the United States, in each case maturing within one (1) year from the date of acquisition thereof, (b) marketable direct obligations issued or fully guaranteed by any state of the United States or any political subdivision of any such state or any public instrumentality thereof maturing within one (1) year from the date of acquisition thereof and, at the time of acquisition, having one of the two highest ratings obtainable from either Standard & Poor's Rating Group ("S&P") or Moody's Investors Service, Inc. ("Moody's"), (c) commercial paper maturing no more than two hundred seventy (270) days from the date of creation thereof and, at the time of acquisition, having a rating of at least A-1 from S&P or at least P-1 from Moody's, (d) certificates of deposit, time deposits, overnight bank deposits or bankers' acceptances maturing within one (1) year from the date of acquisition thereof issued by any bank organized under the laws of the United States or any state thereof or the District of Columbia or any United States branch of a foreign bank having at the date of acquisition thereof combined capital and surplus of not less than one hundred million dollars ($100,000,000), (e) Deposit Accounts maintained with (i) any bank that satisfies the criteria described in clause (d) above, or (ii) any other bank organized under the laws of the United States or any state thereof so long as the full amount maintained with any such other bank is insured by the Federal Deposit Insurance Corporation, (f) repurchase obligations of any commercial bank satisfying the requirements of clause (d) of this definition or recognized securities dealer having combined capital and surplus of not less than five hundred million dollars ($500,000,000), having a term of not more than seven days, with respect to securities satisfying the criteria in clauses (a) or (d) above, (g) debt securities with maturities of six months or less from the date of acquisition backed by standby letters of credit issued by any commercial bank satisfying the criteria described in clause (d) above, and (h) Investments in money market funds substantially all of whose assets are invested in the types of assets described in clauses (a) through (g) above.

"Cash Management Services" means any cash management or related services including treasury, depository, return items, overdraft, controlled disbursement, merchant store value cards, e-payables services, electronic funds transfer, interstate depository network, automatic clearing house transfer (including the Automated Clearing House processing of electronic funds transfers through the direct Federal Reserve Fedline system) and other customary cash management arrangements.

"Change in Law" means the occurrence, after the date of this Agreement, of any of the following: (a) the adoption or taking effect of any law, rule, regulation or treaty, (b) any change in any law, rule, regulation or treaty or in the administration, interpretation, implementation or application thereof by any Governmental Authority or (c) the making or issuance of any request, rule, guideline or directive (whether or not having the force of law) by any Governmental Authority; *provided that*, notwithstanding anything herein to the contrary, (i) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (ii) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States regulatory authorities, in each case pursuant to Basel III, 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) a transaction in which any "person" or "group" (within the meaning of Section 13(d) and 14(d)(2) of the Securities Exchange Act of 1934) other than Parent becomes the "beneficial owner" (as defined in Rule 13d-3 under the Securities Exchange Act of 1934), directly or indirectly, of a sufficient number of shares of all classes of stock or other equity securities, as applicable, then outstanding of Borrower ordinarily entitled to vote in the election of directors, empowering such "person" or "group" to elect a majority of the Board of Directors of Borrower, who did not have such power before such transaction;

(b) any Person or two or more acting in concert, shall have acquired beneficial ownership, directly or indirectly, of Equity Interests of Parent (or other securities convertible into such Equity Interests) representing 50% or more of the combined voting power of all Equity Interests of Parent entitled (without regard to the occurrence of any contingency) to vote for the election of members of the Board of Directors of Parent,

(c) a transaction that results in Parent failing to own directly or indirectly, beneficially and of record on a fully diluted basis, 100% of the aggregate voting and aggregate economic interests in Borrower;

(d) Borrower ceases to beneficially and of record own and control, directly or indirectly, free and clear of all Liens other than Permitted Liens arising by operation of law, one hundred percent (100.00%) of the issued and outstanding shares of each class of capital Stock of any wholly-owned Loan Party or, in the case of less than wholly-owned Loan Parties as of the Closing Date, a lesser amount of the issued and outstanding shares of each class of capital Stock of any Loan Party than on the Closing Date; or

(e) the occurrence of a change in control, change of control, or other similar provision, as defined in any document governing any Material Indebtedness triggering a default, mandatory prepayment or mandatory repurchase offer, which default, mandatory prepayment or requirement to make a mandatory repurchase offer has not been waived in writing.

Notwithstanding the foregoing or anything else contained herein or any other Loan Document, ~~any Acquisition~~ the Permitted Canopy Transaction or any Acquisition of, whether directly or indirectly, Equity Interests of Parent (or other securities convertible into such Equity Interests) representing 50% or more of the combined voting power of all Equity Interests of Parent entitled to vote for the election of members of the Board of Directors of Parent by Canopy, including the exercise of any rights under ~~that certain~~ the Arrangement Agreement ~~with Parent~~, shall be deemed not to be a "Change of Control" for purposes of this Agreement or the other Loan Documents.

"Closing Date" means December 16, 2021.

"Co-Agent" has the meaning specified therefor in the preamble to this Agreement.

"Code" means the New York Uniform Commercial Code, as in effect from time to time; *provided, however*, that in the event that, by reason of mandatory provisions of law, any or all of the attachment, perfection, priority, or remedies with respect to Agent's Liens on any Collateral is governed by the Uniform Commercial Code as enacted and in effect in a jurisdiction other than the State of New York, the term "Code" shall mean the Uniform Commercial Code as enacted and in effect in such other jurisdiction solely for purposes of the provisions thereof relating to such attachment, perfection, priority, or remedies.

"Collateral" means all assets and interests in assets, except Excluded Assets, and proceeds thereof now owned or hereafter acquired by any Loan Party and any other Person who has granted a Lien to Agents or the Lenders under the Loan Documents, in or upon which a Lien is granted by such Person in favor of Agents or the Lenders under any of the Loan Documents.

"Collateral Assignment" means a collateral assignment of any Loan Party's rights under any Lease.

"Collateral Properties" means the Real Property specified in Schedule Z.

"Commitment" and "Commitments" means, with respect to the Lender, its commitment to make the Term Loans pursuant to the terms of this Agreement, and, with respect to the Lender, their commitments to make the Term Loans pursuant to the terms of this Agreement, in each case as such Dollar amounts are set forth beside the Lender's name under the applicable heading on Schedule C-1 to this Agreement or in the Assignment and Acceptance pursuant to which the Lender became a Lender under this Agreement, as such amounts may be reduced or increased from time to time pursuant to assignments made in accordance with the provisions of Section 14.1.

"Compliance Certificate" means a certificate substantially in the form of Exhibit B to this Agreement delivered, on behalf of Borrower, by the chief financial officer or chief executive officer of Borrower to Agents and the Lenders.

"Connection Income Taxes" means Other Connection Taxes that are imposed on or measured by net income (however denominated) or that are franchise Taxes or branch profits Taxes.

"Construction Consultant" means a construction consultant satisfactory to Agents in their sole discretion, hired by Borrower.

"Control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. The terms "Controlling" and "Controlled" have meanings correlative thereto.

"Control Agreement" means, with respect to any Deposit Account, Securities Account, commodity account, securities entitlement or commodity contract, an agreement, in form and substance reasonably satisfactory to Agents, among Administrative Agent, the financial institution or other Person at which such account is maintained or with which such entitlement or contract is carried and the Loan Party maintaining such account or owning such entitlement or contract, effective to grant "control" (within the meaning of Articles 8 and 9 under the applicable UCC) over such account to Administrative Agent.

"Consolidated Net Income" means, for any period, the consolidated net income (or loss) of Parent and its Subsidiaries, determined on a consolidated basis in accordance with GAAP; *provided that*, there shall be excluded (a) the income (or deficit) of any Person accrued prior to the date it becomes a Subsidiary of Borrower or is merged into or consolidated with Borrower or any of its Subsidiaries, (b) the income (or deficit) of any Person (other than a Subsidiary of Borrower) in which Borrower or any of its Subsidiaries has an ownership interest, except to the extent that any such income is actually received by Borrower or such Subsidiary in the form of dividends or similar distributions and (c) the undistributed earnings of any Subsidiary of Borrower that is not a Loan Party to the extent that the declaration or payment of dividends or similar distributions by such Subsidiary is not at the time permitted by the terms of any Applicable Laws or the organizational documents or any contractual obligation (other than under any Loan Document) applicable to such Subsidiary.

"Core State" means Connecticut, Illinois, Maine, Massachusetts, New Jersey, New York, Ohio and Pennsylvania or such other jurisdiction as may be deemed a "Core State" hereunder ~~in accordance with Section 2.2(e)(vi)~~as mutually agreed between Agents and Borrower.

"Cure Amount" has the meaning specified therefor in Section 9.4(a).

"Cure Right" has the meaning specified therefor in Section 9.4(a).

"Cure Right Deadline" has the meaning specified therefor in Section 9.4(a).

"Default" means an event, condition, or default that, with the giving of notice, the passage of time, or both, would be an Event of Default.

"Deposit Account" means any deposit account (as such term is defined in the Code).

"Designated Account" means the Deposit Account of Borrower identified on Schedule D-1 (or such other Deposit Account of Borrower located at Designated Account Bank that has been designated as such, in writing, by Borrower to Agents).

"Designated Account Bank" has the meaning specified therefor in Schedule D-1 (or such other bank that is located within the United States that has been designated as such, in writing, by Borrower to Agents).

"Disposition" has the meaning specified therefor in Section 6.4.

"Disqualified Stock" means any Stock that, by its terms (or by the terms of any security or other Stock into which it is convertible or for which it is exchangeable), or upon the happening of any event or condition (a) matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise (except as a result of a change of control or asset sale so long as any rights of the holders thereof upon the occurrence of a change of control or asset sale event shall be subject to the prior repayment in full of the Loan and all other Obligations that are accrued and payable and the termination of the Commitments), (b) is redeemable at the option of the holder thereof, in whole or in part, (c) provides for the scheduled payments of dividends in cash, or (d) is or becomes convertible into or exchangeable for Indebtedness or any other Stock that would constitute Disqualified Stock, in each case, prior to the date that is one hundred eighty (180) days after the Maturity Date.

"Dollars" or "$" means United States dollars.

"Draw Period" means the period from and including the Closing Date until, but not including, the date that is the one (1) year anniversary of the First Amendment Closing Date.

"EBITDA" means, with respect to Parent and its Subsidiaries determined on a consolidated basis, for any period,

(a) Consolidated Net Income,

plus

(b) without duplication, the sum of the following amounts of Parent and its Subsidiaries for such period to the extent included in determining consolidated net earnings (or loss) for such period:

(i) Interest Expense (and to the extent not reflected in Interest Expense, (x) bank and letter of credit fees and premiums in connection with financing activities and (y) amortization of deferred financing and loan fees,

(ii) Taxes due and payable for such period, and

(iii) depreciation and amortization for such period, in each case, determined on a consolidated basis in accordance with GAAP.

"EBITDA Cap" has the meaning specified therefor in the definition of "EBITDA".

"EEA Financial Institution" means (a) any institution established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

"EEA Member Country" means any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

"EEA Resolution Authority" means any public administrative authority or any Person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

"Environmental Action" means any written complaint, summons, citation, notice, directive, order, claim, litigation, investigation, judicial or administrative proceeding, judgment, letter, or other written communication from any Governmental Authority or any third party involving material violations of Environmental Laws, or Releases of Hazardous Materials (a) at or from any assets, properties, or businesses of Borrower or any of its Subsidiaries, or any of their predecessors in interest, (b) from adjoining properties or businesses, or (c) at or from any facilities which received Hazardous Materials generated by Borrower or any of its Subsidiaries, or any of their predecessors in interest.

"Environmental Law" means any Applicable Law relating to worker health and safety, protection of the environment or natural resources, or the use, transportation, storage, disposal, Release or remediation of any Hazardous Material.

"Environmental Liabilities" means all material liabilities, monetary obligations, losses, damages, (including punitive damages, consequential damages and treble damages), costs and expenses (including all reasonable fees, disbursements and expenses of counsel, experts, or consultants, and costs of investigation and feasibility studies), fines, penalties, sanctions, and interest incurred as a result of any claim or demand, or Remedial Action required, by any Governmental Authority or any third party, and which relate to any Environmental Action.

"Environmental Lien" means any Lien in favor of any Governmental Authority for Environmental Liabilities.

"Equipment" means equipment (as that term is defined in the Code).

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended, and any successor statute thereto and the rules and regulations promulgated thereunder.

"ERISA Affiliate" means (a) any Person subject to ERISA whose employees are treated as employed by the same employer as the employees of Borrower or its Subsidiaries under IRC Section 414(b), (b) any trade or business subject to ERISA whose employees are treated as employed by the same employer as the employees of Borrower or its Subsidiaries under IRC Section 414(c), (c) solely for purposes of Section 302 of ERISA and Section 412 of the IRC, any organization subject to ERISA that is a member of an affiliated service group of which Borrower or any of its Subsidiaries is a member under IRC Section 414(m), or (d) solely for purposes of Section 302 of ERISA and Section 412 of the IRC, any Person subject to ERISA that is a party to an arrangement with Borrower or any of its Subsidiaries and whose employees are aggregated with the employees of the any Loan Party under IRC Section 414(o).

"ERISA Event" means (a) a Reportable Event with respect to a Pension Plan, (b) a withdrawal by Borrower or any of its Subsidiaries or ERISA Affiliates from a Pension Plan subject to Section 4063 of ERISA during a plan year in which it was a "substantial employer" (as defined in Section 4001(a)(2) of ERISA) or a cessation of operations that is treated as such a withdrawal under Section 4062(e) of ERISA, (c) a complete or partial withdrawal by Borrower or any of its Subsidiaries or ERISA Affiliates from a Multiemployer Plan or Borrower's receipt of notification that a Multiemployer Plan is in reorganization, (d) the filing of a notice of intent to terminate, the treatment of a Plan amendment as a termination under Section 4041 or 4041A of ERISA, or the commencement of proceedings by the PBGC to terminate a Pension Plan or, with respect to a Multiemployer Plan, Borrower's receipt of notification of the filing of a notice of intent to terminate, the treatment of a Plan amendment as a termination under Section 4041 or 4041A of ERISA, or the commencement of proceedings by the PBGC to terminate such Multiemployer Plan, (e) the determination that any Pension Plan or, with respect to any Multiemployer Plan, Borrower's receipt of notification, that such Pension Plan or Multiemployer Plan, as applicable, is considered an at risk plan or a plan in critical or endangered status under the IRC, ERISA or the Pension Protection Act of 2006; (f) an event or condition which constitutes grounds under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Pension Plan or, with respect to any Multiemployer Plan, Borrower's receipt of notification that an event or condition which constitutes grounds under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer such Multiemployer Plan, or (g) the imposition of any liability under Title IV of ERISA, other than for PBGC premiums due but not delinquent under Section 4007 of ERISA, upon Borrower or any of its Subsidiaries or ERISA Affiliates.

"Erroneous Payment" has the meaning specified therefor in Section 16.13(a).

"Erroneous Payment Deficiency Assignment" has the meaning specified therefor in Section 16.13(d)(i).

"Erroneous Payment Impacted Class" has the meaning specified therefor in Section 16.13(d)(i).

"Erroneous Payment Return Deficiency" has the meaning specified therefor in Section 16.13(d)(i).

"Erroneous Payment Subrogation Rights" has the meaning specified therefor in Section 16.13(e).

"EU Bail-In Legislation Schedule" means the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor Person), as in effect from time to time.

"Event of Default" has the meaning specified therefor in Section 8.1.

"Exchange Act" means the Securities Exchange Act of 1934, as in effect from time to time

"Excluded Assets" has the meaning specified therefor in the Security Agreement.

"Excluded Taxes" means any of the following Taxes imposed on or with respect to a Recipient or required to be withheld or deducted from a payment to a Recipient, (a) Taxes imposed on or measured by net income (however denominated), franchise Taxes, and branch profits Taxes, in each case, (i) imposed as a result of such Recipient being organized under the laws of, or having its principal office or, in the case of a Lender, its applicable lending office located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes, (b) in the case of a Lender, U.S. federal withholding Taxes imposed on amounts payable to or for the account of such Lender with respect to an applicable interest in a Loan or Commitment pursuant to a law in effect on the date on which (i) a Lender acquires such interest in the Loan or Commitment (other than pursuant to an assignment request by Borrower under Section 14.1(a)) or (ii) a Lender changes its lending office, except in each case to the extent that, pursuant to Section 16.11, amounts with respect to such Taxes were payable either to a Lender's assignor immediately before such Lender became a party hereto or to such Lender immediately before it changed its lending office, (c) Taxes attributable to such Recipient's failure to comply with Section 16.11(f) and (d) any withholding Taxes imposed under FATCA.

"Extraordinary Receipts" means any cash, proceeds, payments or consideration received by any Loan Party not in the ordinary course of business, including (a) foreign, United States, state or local tax refunds; (b) pension plan reversions, (c) proceeds of insurance (including key man life insurance and business interruption insurance, but excluding any casualty insurance and insurance related to 510 N. Mantua, Boulevard, Sewell, New Jersey 08080 that is used in the Core States or to pay down any Taxes), (d) judgments, proceeds of settlements or other consideration of any kind in connection with any cause of action, and (e) indemnity payments; *provided, however*, that after the first year anniversary of the Closing Date, such sums shall not be deemed to be Extraordinary Receipts to the extent used (i) to satisfy any third party claims; (ii) to replace or repair any inventory, equipment, facilities, or other assets; or (iii) to finance approved working capital needs or general Borrower expenses, in each case to the extent consented to by Agents in its sole discretion.

"FATCA" means Sections 1471 through 1474 of the IRC, as of the Closing Date (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof and any agreements entered into pursuant to Section 1471(b)(1) of the IRC and any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement, treaty or convention among Governmental Authorities and implementing such Sections of the IRC.

"FF&E" means, furniture, fixtures and equipment.

"First Amendment Closing Date" means October 24, 2022.

"Fixed Charge Coverage Ratio" means, with respect to Parent and its Subsidiaries determined on a consolidated basis, for the four fiscal quarter period then ended, the ratio of (a) (i) Adjusted EBITDA for such trailing twelve (12) month period just ended *minus* (ii) Unfinanced Capital Expenditures made (to the extent not already incurred in a prior period) or incurred during such period **[***]** Fixed Charges for such period; *provided that*, for the fiscal quarters ending March 31, ~~2022~~2023, June 30, ~~2022~~ 2023 and September 30, ~~2022~~2023, Adjusted EBITDA, Unfinanced Capital Expenditures and such management fees, advisory fees, director fees or the like, to the extent not already captured in the calculation of Adjusted EBITDA, and Fixed Charges shall be determined, in each case, as follows: (x) for the fiscal quarter ending March 31, ~~2022~~2023, the actual aggregate amount for such fiscal quarter period then ending multiplied by four (4); (y) for the fiscal quarter ending June 30, 2022, the actual aggregate amount for the two consecutive fiscal quarter period then ending multiplied by two (2); and (z) for the fiscal quarter ending September 30, ~~2022~~2023, the actual aggregate amount for the three consecutive fiscal quarter period then ending multiplied by four thirds (4/3)~~; *provided further*: (1) on or prior to September 30, 2022, after giving effect to the Tax Adjustment, the Fixed Charge Coverage Ratio shall not fall below 1.00x and (2) after September 30, 2022, before giving effect to the Tax Adjustment, the Fixed Charge Coverage Ratio shall not fall below 1.00x for any such period~~.

"Fixed Charges" means, with respect to any period and with respect to Parent and its Subsidiaries on a consolidated basis in accordance with GAAP, the sum, without duplication, of (a) Interest Expense accrued (other than interest paid-in-kind, amortization of financing fees, and other non-cash Interest Expense) during such period, (b) all principal payments in respect of Indebtedness that are paid during such period (including the principal portion of payments of Capital Lease Obligations), and (~~c) all Taxes due and payable during such period, subject to the Tax Adjustment and (d~~c) any distributions and dividends paid during such period.

"Federal Cannabis Law" has the meaning specified therefor in the definition of Applicable Law.

"Foreign Lender" means each Lender (or if the Lender is a disregarded entity for U.S. federal income tax purposes, the Person treated as the owner of the assets of such Lender for U.S. federal income tax purposes) that is not a United States person within the meaning of IRC section 7701(a)(30).

"Foreign Plan" means any employee benefit plan or arrangement that would be considered a "defined benefit plan" (as defined in Section 3(35) of ERISA) if such plan was maintained in the United States and that is (a) maintained or contributed to by Borrower or any of its Subsidiaries that is not subject to the laws of the United States; or (b) mandated by a government other than the United States for employees of Borrower or any of its Subsidiaries.

"GAAP" means generally accepted accounting principles as in effect from time to time in the United States, consistently applied.

"Governing Documents" means, with respect to any Person, the certificate or articles of incorporation, certificates of designations pertaining to preferred securities, by-laws, or other organizational documents of such Person.

"Governmental Authority" means the government of the United States, any foreign country or any multinational authority, or any state, commonwealth, protectorate or political subdivision thereof, and any entity, body or authority exercising executive, legislative, judicial, tax, regulatory or administrative functions of or pertaining to government, including, without limitation, other administrative bodies or quasi-governmental entities established to perform the functions of any such agency or authority, and any agency, branch or other governmental body (federal or state) charged with the responsibility, or vested with the authority to administer or enforce, any Applicable Laws.

"Hazardous Materials" means (a) substances that are defined or listed in, or otherwise classified pursuant to, any Applicable Laws or regulations as "hazardous substances," "hazardous materials," "hazardous wastes," "toxic substances," or any other formulation intended to define, list, or classify substances by reason of deleterious properties such as ignitability, corrosivity, reactivity, carcinogenicity, reproductive toxicity, or "EP toxicity" (b) petroleum and petroleum products, and (c) per- and polyfluoroalkyl substances (PFAS).

"Hedge Agreement" means a "swap agreement" as that term is defined in Section 101(53B)(A) of the Bankruptcy Code.

"Historical Financial Statements" has the meaning specified therefor in Section 4.8.

"Initial Term ~~Loan~~Loans" has the meaning specified therefor in Section 2.1~~.~~(a).

~~"Incremental Amendment" has the meaning specified therefor in Section 2.2(e)(v).~~

~~"Incremental Fixed Charge Coverage Ratio" means, with respect to Parent and its Subsidiaries determined for the four fiscal quarter period then ended, the ratio of (a) (i) Adjusted EBITDA for such trailing twelve (12) month period just ended *minus* (ii) Unfinanced Capital Expenditures made (to the extent not already incurred in a prior period) or incurred during the same twelve (12) month period, and (iii) management fees, advisory fees, director fees or the like, to the extent not already captured in the calculation of Adjusted EBITDA during the same twelve (12) month period, to (b) Incremental Fixed Charges for such period, in each case on a pro forma basis assuming that all $50.0 million of the Incremental Increase up to the Incremental Loan Limit had been drawn down at the beginning of such twelve (12) month period and giving effect to any increases (other than increases in respect of non-recurring items) in expenses during such trailing twelve (12) month period as though such increases occurred at the beginning of such trailing twelve (12) month period.~~

~~"Incremental Fixed Charges" means, with respect to any period and with respect to Parent and its Subsidiaries on a consolidated basis in accordance with GAAP, the sum, without duplication, of (a) Interest Expense accrued (other than interest paid-in-kind, amortization of financing fees, and other non-cash Interest Expense) during such period, (b) original issue discount payable with respect to the Incremental Increase, (b) all principal payments in respect of Indebtedness that are paid during such period (including the principal portion of payments of Capital Lease Obligations), (c) all Taxes due and payable during such period, without giving effect to the Tax Adjustment, (d) any distributions and dividends paid during such period and (e) the Agent Fee payable pursuant to Section 2.6(b).~~

~~"Incremental Increase" has the meaning specified therefor in Section 2.2(e)(i).~~

~~"Incremental Increase Effective Date" has the meaning specified therefor in Section 2.2(e)(iii).~~

~~"Incremental Increase Response Date" has the meaning specified therefor in Section 2.2(e)(ii).~~

~~"Incremental Loan Limit" means fifty million ($50,000,000).~~

~~"Incremental Lender" has the meaning specified therefor in Section 2.2(e)(i).~~

"Indebtedness" as to any Person means (a) all obligations of such Person for borrowed money, (b) all obligations of such Person evidenced by bonds, debentures, notes, or other similar instruments and all reimbursement or other obligations in respect of letters of credit, bankers acceptances, or other financial products, (c) all obligations of such Person as a lessee under Capital Leases, (d) all obligations or liabilities of others secured by a Lien on any asset of such Person, irrespective of whether such obligation or liability is assumed, (e) all obligations of such Person to pay the deferred purchase price of assets (for the avoidance of doubt, other than royalty payments payable in the ordinary course of business in respects of non-exclusive licenses), (f) all monetary obligations of such Person owing under Hedge Agreements (which amount shall be calculated based on the amount that would be payable by such Person if the Hedge Agreement were terminated on the date of determination), (g) any Disqualified Stock of such Person, and (h) any obligation of such Person guaranteeing or intended to guarantee (whether directly or indirectly guaranteed, endorsed, co-made, discounted, or sold with recourse) any obligation of any other Person that constitutes Indebtedness under any of clauses (a) through (g) above. For purposes of this definition, (i) the amount of any Indebtedness represented by a guaranty or other similar instrument shall be the lesser of the principal amount of the obligations guaranteed and still outstanding and the maximum amount for which the guaranteeing Person may be liable pursuant to the terms of the instrument embodying such Indebtedness and (ii) the amount of any Indebtedness which is limited or is non-recourse to a Person or for which recourse is limited to an identified asset shall be valued at the lesser of (A) if applicable, the limited amount of such obligations, and (B) if applicable, the fair market value of such assets securing such obligation.

"Indemnified Liabilities" has the meaning specified therefor in Section 11.3.

"Indemnified Person" has the meaning specified therefor in Section 11.3.

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

"Insolvency Proceeding" means any proceeding commenced by or against any Person under any provision of the Bankruptcy Code or under any other state or federal bankruptcy or insolvency law, assignments for the benefit of creditors, formal or informal moratoria, compositions, extensions generally with creditors, or proceedings seeking reorganization, arrangement, or other similar relief.

"Intellectual Property" has the meaning specified therefor in the Security Agreement.

"Intellectual Property Security Agreement" means a collateral or security agreement pursuant to which the Loan Parties grant a security interest in its interests in certain Intellectual Property to Agents, as security for the Obligations.

"Intercompany Subordination Agreement" means that certain subordination agreement, dated as of the date hereof, by and among Administrative Agent and the Loan Parties, as amended, restated or otherwise modified from time to time.

"Interest Expense" means, for any period, the aggregate of the interest expense of Borrower and its Subsidiaries for such period, determined on a consolidated basis in accordance with GAAP.

"Interest Reserve" has the meaning specified therefor in Section 9.4(c).

"Inventory" means inventory (as that term is defined in the Code).

"Investment" means, with respect to any Person, any investment by such Person in any other Person (including Affiliates) in the form of loans, guarantees, advances, or capital contributions (excluding (a) commission, travel, and similar advances to officers and employees of such Person made in the ordinary course of business and consistent with past practice, and (b) *bona fide* accounts arising in the ordinary course of business consistent with past practice), purchase, or acquisitions of Indebtedness, Stock, or all or substantially all of the assets of such other Person (or of any division or business line of such other Person), and any other items that are or would be classified as investments on a balance sheet prepared in accordance with GAAP. The amount of any Investment shall be the original cost of such Investment plus the cost of all additions thereto, without any adjustment for increases or decreases in value, or write-ups, write-downs, or write-offs with respect to such Investment.

"Investment Debt" means that certain Indebtedness owed to **[***]** pursuant to the Loan Agreement by and among HSCP CN Holdings II ULC, High Street Capital Partners LLC and **[***]**, dated September 28, 2020, as amended by Amendment No. 1 to HSCP CN Holdings II ULC Loan Agreement among HSCP CN Holdings II ULC, High Street Capital Partners, LLC and **[***]** dated December 16, 2021.

"Investment Debt Documents" means that certain Loan Agreement by and among HSCP CN Holdings II ULC, High Street Capital Partners LLC and **[***]**, dated September 28, 2020, as amended by Amendment No. 1 to HSCP CN Holdings II ULC Loan Agreement among HSCP CN Holdings II ULC, High Street Capital Partners, LLC and **[***]** dated December 16, 2021, and any other amendments, modifications or supplements from time to time in accordance with the terms of this Agreement and the other documents and agreements, including any licenses, permits, waivers relating thereto or side letters or agreements affecting the terms thereof, executed in connection with the Investment Debt.

"IRC" means the Internal Revenue Code of 1986, as in effect from time to time.

"Late Fee" has the meaning specified therefor in Section 2.6(e).

"Lease" means, with respect to any Leasehold Property, the lease, sublease or other agreement under the terms of which any Loan Party has or acquires from any Person any right to occupy or use such Real Property, or any part thereof, or interest therein, and each existing or future guaranty of payment or performance thereunder, and all extensions, renewals, modifications and replacements of each such lease, sublease, agreement or guaranty.

"Leasehold Property" means any leasehold interest of any Loan Party as lessee under any lease of real property, other than any such leasehold interest designated from time to time by Agents in their sole discretion as not being required to be included in the Collateral.

"Lender" and "Lenders" have the meaning set forth in the preamble to this Agreement, and shall include any other Person made a party to this Agreement pursuant to the provisions of Section 14.1.

"Lender Group" means each of the Lenders and Agents, or any one or more of them.

"Lender Group Expenses" means all of the following (without double-counting or duplication): (a) reasonable and documented out-of-pocket costs or expenses (excluding Taxes (which are addressed in Section 10) required to be paid by Borrower or the other Loan Parties under any of the Loan Documents that are paid, advanced, or incurred by the Lender Group), (b) documented, reasonable, out of pocket fees or charges paid or incurred by Agents in connection with the Lender Group's transactions with Parent and the Loan Parties under any of the Loan Documents, including fees or charges for background checks and OFAC/PEP searches (in each case, solely to the extent contemplated by this Agreement), photocopying, notarization, couriers and messengers, telecommunication, third party digital automation services and compliance software, public record searches, filing fees, recording fees, publication, appraisal (including periodic collateral appraisals or business valuations to the extent of the fees and charges (and up to the amount of any limitation) contained in this Agreement), real estate surveys (solely to the extent contemplated by this Agreement), real estate title policies and endorsements (solely to the extent contemplated by this Agreement), and environmental audits (solely to the extent contemplated by this Agreement), (c) Agents' customary and documented fees and charges (as adjusted from time to time) with respect to the disbursement of funds (or the receipt of funds) to or for the account of any Loan Party or other members of the Lender Group (whether by wire transfer or otherwise) together with any reasonable and documented out-of-pocket costs and expenses incurred in connection therewith, (d) reasonable and documented charges paid, imposed or incurred by Agents and/or any Lender resulting from the dishonor of checks payable by or to any Loan Party, (e) reasonable documented out of pocket costs and expenses paid or incurred by the Lender Group to correct any Event of Default or enforce any provision of the Loan Documents, or, upon the occurrence and during the continuance of an Event of Default, in gaining possession of, maintaining, handling, preserving, storing, shipping, selling, preparing for sale, or advertising to sell the Collateral, or any portion thereof, irrespective of whether a sale is consummated, (f) solely to the extent contemplated by the terms of this Agreement, financial examination, appraisal, audit, and valuation reasonable and documented fees and reasonable and documented out-of-pocket expenses of Agents related to any inspections or financial examination, appraisal, audit, and valuation to the extent of the fees and charges (and up to the amount of any limitation) contained in this Agreement (including, without limitation, any such fees and expenses described in Section 2.10); *provided that*, such limits shall not apply during the continuance of an Event of Default, (g) Agents' reasonable and documented out of pocket costs and expenses (including reasonable and documented expenses of one primary counsel) relative to third party claims or any other lawsuit or adverse proceeding paid or incurred, whether in enforcing or defending the Loan Documents or otherwise in connection with the transactions contemplated by the Loan Documents, Agent's Liens in and to the Collateral, or the Lender Group's relationship with Parent or any Loan Party, except with respect to such claims arising from the gross negligence of willful misconduct of Agents or any Lender as determined by the final and non-appealable judgment of a court of competent jurisdiction, (h) each Agent's and each Lender's reasonable documented costs and expenses (including reasonable and documented attorney's fees and due diligence expenses of (i) external counsel to Agents and the Lenders, taken as a whole, (ii) local firm of counsel in each appropriate material jurisdiction (which may include a single special counsel acting in multiple jurisdictions), and (iii) any additional counsel if one or more actual or potential conflicts of interest arise for each class of similarly situated Persons) incurred in advising, structuring, drafting, reviewing, administering (including travel, meals, and lodging), syndicating (including reasonable costs and expenses relative to the rating of the Loan, CUSIP, DXSyndicate, SyndTrak or other communication costs incurred in connection with a syndication of the loan facilities), amending, waiving, or modifying the Loan Documents, and (i) each Agent's and each Lender's documented costs and expenses (including documented attorneys, accountants, consultants, and other advisors fees and expenses) incurred in terminating, enforcing (including attorneys, accountants, consultants, and other advisors fees and expenses incurred in connection with a "workout," a "restructuring," or an Insolvency Proceeding concerning Parent or any Loan Party or in exercising rights or remedies under the Loan Documents), or defending the Loan Documents, irrespective of whether a lawsuit or adverse proceeding is brought, or in taking any enforcement action or Remedial Action concerning the Collateral.

"Lender Group Representatives" has the meaning specified therefor in Section 17.7(a).

"Lender Observer" has the meaning specified therefor in Section 5.17.

"Lender-Related Person" means, with respect to any Lender, such Lender, together with such Lender's Affiliates, officers, directors, employees, attorneys, and agents.

"Lien" means any mortgage, deed of trust, pledge, hypothecation, assignment, charge, deposit arrangement, encumbrance, easement, lien (statutory or other), security interest, or other security arrangement and any other preference, priority, or preferential arrangement of any kind or nature whatsoever, including any conditional sale contract or other title retention agreement, the interest of a lessor under a Capital Lease and any synthetic or other financing lease having substantially the same economic effect as any of the foregoing.

"Liquidity" means, as of any date of determination, the sum of (a) unrestricted cash and Cash Equivalents on the balance sheet of Parent or any other Loan Party as of such date plus (b) accounts receivable as of such date less (c) any accounts payable as of such date.

"Loan" means any Term Loan made hereunder, and "Loans" means all of them, collectively.

"Loan Account" has the meaning specified therefor in Section 2.9.

"Loan Documents" means this Agreement, the Parent Guaranty, any Subsidiary Guaranties, the Security Agreement, the Pledge Agreement, the Control Agreements, any Intellectual Property Security Agreements, the Mortgages, any Collateral Assignments, the Notes, and any other instrument or agreement entered into, now or in the future, by Parent or any Loan Party or any shareholder of Parent or any Loan Party, and any member of the Lender Group in connection with this Agreement, in each case, as the same may be amended, supplemented or otherwise modified from time to time.

"Loan Party" means Borrower or any Subsidiary Guarantor, and "Loan Parties" means all of them, collectively.

"Margin Stock" has the meaning specified in Regulation U of the Board of Governors as in effect from time to time.

"Material Adverse Effect" means a material adverse effect on (i) the business, operations, results of operations, assets, liabilities or condition (financial or otherwise) of Parent or the Loan Parties (taken as a whole), which causes a material impairment of their ability to perform their respective obligations under the Loan Documents; (ii) the legality, validity, or enforceability of the Loan Documents under Applicable Law; (iii) the Lender Group's ability to enforce the Obligations or realize upon the Collateral under Applicable Law or (iv) an impairment of the enforceability or priority of Agent's Liens with respect to the Collateral under Applicable Law; provided, that in determining whether a Material Adverse Effect has occurred, there shall be excluded any change in GAAP.

"Material Contract" means, with respect to any Person, (i) each contract or agreement to which such Person is a party involving aggregate revenues payable to or consideration payable to or by such Person of **[***]** or more (other than purchase orders or customer agreements in the ordinary course of the business of such Person and other than contracts that by their terms may be terminated by such Person in the ordinary course of its business upon less than forty five (45) days' notice without penalty or premium), (ii) any Lease, (iii) the Investment Debt Documents, and (iv) all other contracts or agreements, the loss of which would reasonably be expected to result in a Material Adverse Effect.

"Material Indebtedness" means any Indebtedness in excess of **[***]** in aggregate outstanding principal amount.

"Maturity Date" means January 1, 2026, subject to the Maturity Date Extension.

"Maturity Date Extension" has the meaning set forth in Section 2.3(g).

"Moody's" has the meaning specified therefor in the definition of Cash Equivalents.

"Mortgage" means, individually and collectively, one or more mortgages, deeds of trust, or deeds to secure debt, executed and delivered by any Loan Party in favor of Administrative Agent, in form and substance reasonably satisfactory to Agents, that encumber the Real Property owned by any Loan Party.

"Mortgage Supporting Documents" means, with respect to each Mortgage for a parcel of Real Property, each the following:

(a) (i) evidence in form and substance reasonably satisfactory to Agents that the recording of counterparts of such Mortgage in the recording offices specified in such Mortgage will create a valid and enforceable first priority lien on property described therein in favor of Administrative Agent (or in favor of such other trustee as may be required or desired under local law) subject only to (A) Liens permitted hereunder and (B) such other Liens as Agents may reasonably approve and (ii) an opinion of counsel in each state in which any such Mortgage is to be recorded in form and substance and from counsel reasonably satisfactory to Agents;

(b) a lender's Title Insurance Policy dated a date reasonably satisfactory to Agents, which shall (i) be in an amount not less than the appraised value (determined by reference to an appraisal) of such parcel of Real Property in form and substance satisfactory to Agents, (ii) insure that the Lien granted pursuant to the Mortgage insured thereby creates a valid first Lien on such parcel of Real Property free and clear of all defects and encumbrances, except for Liens permitted hereunder and for such defects and encumbrances as may be approved by Agents, (iii) name Administrative Agent as the insured thereunder, (iv) contain such endorsements as Agents deems reasonably necessary, and (v) be otherwise in form and substance reasonably satisfactory to Agents;

(c) copies of a recent ALTA survey of such parcel of Real Property in form and substance satisfactory to Agents, but in any event allowing for the Title Insurance Policy to be issued without a standard survey exception (unless otherwise agreed by Agents) and with same as survey endorsement;

(d) evidence in form and substance reasonably satisfactory to Agents that all premiums in respect of the lender's Title Insurance Policy, all recording fees and stamp, documentary, intangible or mortgage taxes, if any, in connection with the Mortgage have been paid;

(e) concurrent with the delivery of any Mortgage of Real Property, (i) a completed standard "life of loan" flood hazard determination form, (ii) if the improvements to the applicable improved property is located in an area designated by the Federal Emergency Management Agency as having special flood or mud slide hazards (a "Flood Hazard Property"), a written notification to Borrower ("Borrower Notice"), (iii) Borrower's written acknowledgment of receipt of Borrower Notice as to the fact that such Real Property is a Flood Hazard Property and as to whether the community in which each such Flood Hazard Property is located is participating in the National Flood Insurance Program and (iv) if Borrower Notice is required to be given and flood insurance is available in the community in which the applicable Real Property is located, copies of the applicable Loan Party's application for a flood insurance policy plus proof of premium payment, a declaration page confirming that flood insurance has been issued and naming Agents as loss payee on behalf of the Lender Group; and

(f) such other agreements, documents and instruments in form and substance reasonably satisfactory to Agents as Agents deem necessary or appropriate to create, register or otherwise perfect, maintain, evidence the existence, substance, form or validity of, or enforce a valid and enforceable first priority lien on such parcel of Real Property in favor of Administrative Agent (or in favor of such other trustee as may be required or desired under local law) subject only to (i) Liens permitted hereunder and (ii) such other Liens as Agents may reasonably approve.

"Mortgaged Real Property" means each owned Collateral Properties listed on Schedule Z and any other owned Real Property of any Loan Party that becomes subject to a Mortgage.

"Multiemployer Plan" means any employee benefit plan of the type described in Section 4001(a)(3) of ERISA, to which Borrower or any of its Subsidiaries or any ERISA Affiliates makes or is obligated to make contributions, or during the preceding five (5) plan years, has made or been obligated to make contributions.

"Net Cash Proceeds" means, (a) with respect to any sale or disposition by Borrower or any of its Subsidiaries of assets, the amount of cash proceeds received (directly or indirectly) from time to time (whether as initial consideration or through the payment of deferred consideration when actually received) by or on behalf of Borrower or any of its Subsidiaries, in connection therewith after deducting therefrom only (i) the amount of any Indebtedness secured by any Permitted Lien on any asset (other than (A) Indebtedness owing to Agents or any Lender under this Agreement or the other Loan Documents and (B) Indebtedness assumed by the purchaser of such asset) which is required to be, and is, repaid in connection with such sale or disposition, (ii) reasonable fees, commissions, and expenses related thereto and required to be paid by such Borrower or such Subsidiary in connection with such sale or disposition, (iii) taxes paid or payable to any taxing authorities by such Borrower or such Subsidiary in connection with such sale or disposition, in each case to the extent, but only to the extent, that the amounts so deducted are actually paid or payable to a Person that is not an Affiliate of such Borrower or such Subsidiaries and are properly attributable to such transaction; and (b) with respect to the issuance or incurrence of any Indebtedness by Borrower or any of its Subsidiaries, or the issuance by Borrower or any of its Subsidiaries of any Stock, the aggregate amount of cash received (directly or indirectly) from time to time (whether as initial consideration or through the payment or disposition of deferred consideration) by or on behalf of such Borrower or such Subsidiary in connection with such issuance or incurrence, after deducting therefrom only (i) reasonable fees, commissions, and expenses related thereto and required to be paid by such Borrower or such Subsidiary in connection with such issuance or incurrence and (ii) taxes paid or payable to any taxing authorities by such Loan Party in connection with such issuance or incurrence, in each case to the extent, but only to the extent, that the amounts so deducted are, at the time of receipt of such cash, actually paid or payable to a Person that is not an Affiliate of such Loan Party, and are properly attributable to such transaction.

"New York Time" means Eastern Standard Time or Eastern Daylight Time, as applicable.

"Non-Core Entity" and "Non-Core Entities" means any Subsidiary of Borrower that owns Real Property located in a Non-Core State or holds a Cannabis License issued by a Non-Core State set forth on Schedule N as of the Closing Date under the heading "Non-Core Real Estate Entities".

"Non-Core State" and "Non-Core States" means any states that are not Core States.

"Non-Consenting Agent" has the meaning specified therefor in Section 16.18.

"Note" means a promissory note issued by Borrower to a Lender in respect of a Loan made by such Lender under this Agreement, in each case, in form and substance satisfactory to such Lender.

"Obligations" means all loans (including the Loans), debts, principal, interest (including any interest that accrues after the commencement of an Insolvency Proceeding, regardless of whether allowed or allowable in whole or in part as a claim in any such Insolvency Proceeding), premiums, including any Agent Fee, Unused Line Fee, Late Fee, liabilities (including all amounts charged to the Loan Account pursuant to this Agreement), Original Issue Discount, obligations (including indemnification obligations and obligations to pay, discharge and satisfy the Erroneous Payment Subrogation Rights), other fees, charges, costs, Lender Group Expenses (including any fees or expenses that accrue after the commencement of an Insolvency Proceeding, regardless of whether allowed or allowable in whole or in part as a claim in any such Insolvency Proceeding), guaranties, covenants, and duties of any kind and description owing by any Loan Party arising out of, under, pursuant to, in connection with, or evidenced by this Agreement or any other Loan Documents and irrespective of whether for the payment of money, whether direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising, and including all interest not paid when due and all other expenses or other amounts that Parent or any Loan Parties are required to pay or reimburse by the Loan Documents or by law or otherwise in connection with the Loan Documents. Any reference in the Agreement or in the Loan Documents to the Obligations shall include all or any portion thereof and any extensions, modifications, renewals, or alterations thereof, both prior and subsequent to any Insolvency Proceeding. Without limiting the generality of the foregoing, the Obligations of Loan Parties under the Loan Documents include the obligation to pay (i) the principal of the Loans, (ii) interest accrued on the Loans, (iii) Lender Group Expenses, (iv) fees payable under this Agreement or any of the other Loan Documents, and (v) indemnities and other amounts payable by any Loan Party under any Loan Document. Any reference in this Agreement or in the Loan Documents to the Obligations shall include all or any portion thereof and any extensions, modifications, renewals, or alterations thereof, both prior and subsequent to any Insolvency Proceeding.

"OFAC" means The Office of Foreign Assets Control of the U.S. Department of the Treasury.

"Original Issue Discount" means with respect to any Term Loan, an amount equal to four percent (4.0%) of the Term Loan Amount ~~and with respect to any Incremental Increase, an amount equal to four percent (4.0%) of the Incremental Increase~~. For the avoidance of doubt, the Original Issue Discount payable with respect to the Second Term Loan, Third Term Loan and Additional Term Loans shall be payable as follows: (i) $1,500,000 upon disbursement by Administrative Agent to Borrower of the Second Term Loan; and (ii) $500,000 upon disbursement of the Third Term Loan by Administrative Agent to Borrower during the Draw Period.

"Other Connection Taxes" means, with respect to any Recipient, Taxes imposed as a result of a present or former connection between such Recipient and the jurisdiction imposing such Tax (other than connections arising from such Recipient having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any Loan Document, or sold or assigned an interest in any Loan or Loan Document).

"Other Taxes" means all present or future stamp, court or documentary, intangible, recording, filing or similar Taxes that arise from any payment made under, from the execution, delivery, performance, enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, any Loan Document, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment (other than an assignment made pursuant to Section 2.11(b)).

"Outstanding Amount" means, at any time, the aggregate outstanding principal balance of the Loans at such time immediately prior to giving effect to any prepayment thereof.

"Parent" has the meaning specified therefor in the preamble to this Agreement.

"Parent Guaranty" means that certain guaranty agreement, dated as of the date hereof, executed and delivered by Parent, Acreage Holdings WC, Inc., and Acreage Holdings America, Inc., to Agents on behalf of the Lender Group, as the same may be amended, supplemented or otherwise modified from time to time.

"Participant" has the meaning specified therefor in Section 14.1(b).

"Participant Register" has the meaning specified therefor in Section 14.1(b).

"Patriot Act" has the meaning specified therefor in Section 4.16.

"Payment Recipient" has the meaning specified therefor in Section 16.13(a).

"PBGC" means the Pension Benefit Guaranty Corporation or any successor agency.

"Pelorus Note" means that certain Secured Note, dated as of November 25, 2020, issued by In Grown Farms LLC 2, an Illinois limited liability company to Pelorus Fund, LLC, as amended, restated or otherwise modified prior to the date hereof.

"Pension Plan" means any "employee pension benefit plan" (as defined in Section 3(2) of ERISA), other than a Multiemployer Plan, that is subject to Title IV of ERISA and is sponsored or maintained by Borrower or any of its Subsidiaries or ERISA Affiliates or to which such Loan Party or ERISA Affiliate contributes or has an obligation to contribute, or in the case of a multiple employer or other plan described in Section 4064(a) of ERISA, has made contributions at any time during the preceding five (5) plan years.

"PEP" has the meaning specified therefor in Section 4.23.

"Perfection Certificate" means a certificate in form satisfactory to Agents that provides information with respect to the personal or mixed property of the Loan Parties.

"Permits" means, in respect of any Person, all licenses, permits, franchises, consents, rights, privileges, certificates, authorizations, approvals, registrations and similar consents granted or issued by any Governmental Authority to which or by which such Person is bound or as to which its assets are bound or which has regulatory authority over such Person's business and operations; *provided, however*, that "Permits" shall not mean any Cannabis License.

"Permitted Canopy Transaction" means the acquisition by Canopy or Canopy USA, LLC, directly or indirectly, of Equity Interests of Parent (or other securities convertible into such Equity Interests) representing 50% or more of the combined voting power of all Equity Interests of Parent entitled to vote for the election of members of the Board of Directors of Parent; provided that the Lenders shall have the right on or prior to November 15, 2022 to review the Permitted Canopy Transaction Agreements and notify Parent that, legal counsel to the Lenders, acting reasonably and in good faith, has provided a legal opinion to the Lenders (a copy of which must be provided to Parent on or before November 15, 2022) that (i) such transaction impairs the validity, priority or perfection of Agents' security interest in the Collateral or results in or requires the release of any Collateral, or (ii) such transaction creates, grants or causes to exist any new Lien upon the Equity Interests of Parent or Borrower, in which case, all references to Permitted Canopy Transaction in this Agreement shall be deemed to be deleted in their entirety.

"Permitted Canopy Transaction Agreements" means (i) the Protection Agreement between Canopy USA, LLC, 11065220 Canada Inc., and Canopy; (ii) the Limited Liability Company Agreement of Canopy USA, LLC; (iii) the Limited Partnership Agreement of Canopy USA I Limited Partnership; (iv) the Limited Partnership Agreement of Canopy USA II Limited Partnership; and (v) the Limited Partnership Agreement of Canopy USA III Limited Partnership.

"Permitted Acquisitions" means any Acquisition so long as the following conditions are met:

(a) No Default shall exist or would result from giving effect to such Acquisition;

(b) Agents shall have received from Borrower, a Compliance Certificate demonstrating that Borrower is in compliance with the financial covenants set forth in Section 7 based on the financial statements that have been delivered for the most recently completed four (4) fiscal quarters, both before and after giving effect on a pro forma basis to the incurrence of any such Acquisition (and assuming that any such Acquisition is fully drawn) and any other event consummated in connection therewith giving rise to a pro forma basis adjustment; and

(c) Borrower shall have delivered to Agents a final copy of the purchase agreement and any related documentation with respect to such Acquisition.

"Permitted Assignee" means: (a) Agents, any Lender or any of their direct or indirect Affiliates; and (b) any fund that is administered or managed by Agents or any Lender or an Affiliate of Agents or any Lender.

"Permitted Dispositions" means:

(a) any involuntary condemnation, seizure or taking, by exercise of the power of eminent domain or otherwise, or confiscation or requisition of use of property;

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

(c) sales, abandonment, or other dispositions of Equipment that is substantially worn, damaged, or obsolete or no longer used or useful in the ordinary course of business;

(d) sales of Inventory, products or services to buyers in the ordinary course of business;

(e) the use or transfer of money or Cash Equivalents in a manner that is not prohibited by the terms of this Agreement or the other Loan Documents;

(f) the licensing, on a non-exclusive basis, of Intellectual Property in the ordinary course of business;

(g) the sale, assignment, transfer, or disposition, in each case without recourse, of accounts receivable or any delinquent receivables, in each case arising in the ordinary course of business, and only in connection with the compromise, settlement or collection thereof;

(h) the lapse or abandonment of registered patents, trademarks, copyrights and other intellectual property of Borrower and its Subsidiaries to the extent not economically desirable in the conduct of their business;

(i) to the extent constituting a Disposition, the making of Restricted Payments that are expressly permitted to be made pursuant to this Agreement;

(j) to the extent constituting a Disposition, the making of Permitted Investments that are expressly permitted to be made pursuant to this Agreement;

(k) intercompany dispositions of assets from a Loan Party to another Loan Party;

(l) other issuances of Stock of Borrower;

(m) (i) terminations of leases, subleases, licenses, sub-licenses and agreements in the ordinary course of business and (ii) the surrender or waiver of contractual rights or the settlement release or surrender of contract or tort claims in the ordinary course of business, in each case, to the extent not interfering in any material respect with the business of the Loan Parties;

(n) Permitted Tax Payments;

(o) the sale of any Real Property or assets held by a Non-Core Entity;

(p) the sale of 510 N. Mantua, Boulevard, Sewell, New Jersey 08080; and

(q) any other dispositions of property, with all such property disposed of pursuant to this clause (o) not to exceed a value of five hundred thousand Dollars ($500,000) in any fiscal year, determined by the greater of (i) the aggregate fair market value or (ii) original purchase price or acquisition cost of such property.

"Permitted Indebtedness" means:

(a) Indebtedness evidenced by this Agreement and the other Loan Documents;

(b) endorsement of instruments or other payment items for deposit;

(c) Indebtedness consisting of (i) unsecured guarantees incurred in the ordinary course of business with respect to surety and appeal bonds, performance bonds, bid bonds, appeal bonds, completion guarantees and similar obligations incurred in the ordinary course of business, and (ii) unsecured guarantees arising with respect to customary indemnification obligations to purchasers in connection with Permitted Dispositions;

(d) Indebtedness owed to any Person providing property, casualty, liability, or other insurance to any Loan Party, so long as the amount of such Indebtedness is not in excess of the amount of the unpaid cost of, and shall be incurred only to defer the cost of, such insurance for the year in which such Indebtedness is incurred and such Indebtedness is outstanding only during such year;

(e) Indebtedness incurred in the ordinary course of business in respect of Cash Management Services in an aggregate amount not to exceed two hundred fifty thousand Dollars ($250,000) at any time;

(f) unsecured Indebtedness incurred in respect of netting services, overdraft protection, and other like services, in each case, incurred in the ordinary course of business;

(g) Indebtedness in respect of unsecured intercompany loans and advances solely as between Loan Parties, subject to the Intercompany Subordination Agreement;

(h) Permitted Purchase Money Indebtedness;

(i) the Investment Debt so long as (i) Parent or any Loan Party does not at any time guaranty such Indebtedness, (ii) the Investment Debt Documents do not contain any cross-default with respect to the Obligations, (iii) prior to the first anniversary of the Closing Date, the interest rate on such indebtedness shall be paid in cash and on and after the first year anniversary of the Closing Date, the interest rate on such indebtedness shall only be paid in kind and (iv) the maturity date of such indebtedness shall not be before ninety one (91) days after the Maturity Date;

(j) Indebtedness comprising or arising from (i) Permitted Investments or (ii) Restricted Payments permitted pursuant to Section 6.8;

(k) guaranties of other Permitted Indebtedness;

(l) Indebtedness owed to any Person providing workers' compensation, health, disability or other employee benefits or property, casualty or liability insurance, pursuant to reimbursement or indemnification obligations to such person, in each case incurred in the ordinary course of business;

(m) reasonable and customary indemnification obligations incurred in the ordinary course of business or pursuant to a transaction otherwise permitted under this Agreement, to the extent constituting Indebtedness;

(n) any Taxes that (i) are not yet delinquent or (ii) are the subject of Permitted Protests;

(o) trade payables incurred in the ordinary course of business and repayable in accordance with customary trade practices that are ninety (90) days or more past due in an aggregate amount not to exceed **[***]** outstanding at any one time; and

(p) any other unsecured Indebtedness in an aggregate amount not to exceed **[***]** so long as (i) such Indebtedness shall be subordinated to the Obligations upon terms satisfactory to Agents in their sole discretion, (ii) the interest rate on such Indebtedness shall only be paid in kind and not exceed **[***]** per annum and (iii) the maturity date of such Indebtedness shall not be before ninety one (91) days after the Maturity Date.

"Permitted Investments" means:

(a) Investments in cash and Cash Equivalents;

(b) Investments in negotiable instruments deposited or to be deposited for collection in the ordinary course of business and consistent with past practice;

(c) advances (including to trade creditors) made in connection with purchases of goods or services in the ordinary course of business;

(d) Stock or other securities acquired in connection with the satisfaction or enforcement of Indebtedness or claims due or owing to a Loan Party (in bankruptcy of customers or suppliers or otherwise outside the ordinary course of business) or as security for any such Indebtedness or claims;

(e) deposits of cash made in the ordinary course of business to secure performance of operating leases by Borrower that is lessee under such lease;

(f) Investments made in the form of capital contributions or loans by a Loan Party to another Loan Party;

(g) Investments existing on the Closing Date in the Stock of direct or indirect Subsidiaries of Borrower existing on the Closing Date;

(h) the maintenance of deposit accounts and securities accounts in the ordinary course of business and not in violation of this Agreement;

(i) Permitted Acquisitions; and

(j) other Investments not to exceed **[***]** in the aggregate at any time outstanding.

"Permitted Liens" means:

(a) Agent's Liens;

(b) Liens for unpaid Taxes that either (i) are not yet delinquent, or (ii) do not have priority over Agent's Liens and the underlying Taxes are the subject of Permitted Protests;

(c) judgment Liens arising solely as a result of the existence of judgments, orders, or awards that do not constitute an Event of Default under Section 8.1 of the Agreement;

(d) Liens set forth on Schedule P-1; *provided that*, to qualify as a Permitted Lien, any such Lien described on Schedule P-1 shall only secure the Indebtedness that it secures on the Closing Date;

(e) the interests of lessors under operating leases and UCC financing statements filed as a precautionary measure in connection with operating leases or consignment of goods;

(f) easements, rights-of-way, zoning restrictions, minor defects or irregularities in title and other similar encumbrances, none of which interfere in any material respect with the ordinary course of business of the Loan Parties;

(g) Liens arising by operation of law in favor of warehousemen, landlords, carriers, mechanics, materialmen, laborers, repairmen, workmen or suppliers, or other statutory Liens, incurred in the ordinary course of business and not in connection with the borrowing of money, and which Liens either are for sums not yet delinquent or are subject to Permitted Protest;

(h) Liens on amounts pledged or deposited in connection with obtaining worker's compensation or other unemployment insurance;

(i) Liens on amounts deposited to secure any Loan Party's obligations in connection with the making or entering into of bids, tenders, trade contracts (other than for borrowed money), government contracts, statutory obligations, leases and other obligations of a like nature, or leases in the ordinary course of business and not in connection with the borrowing of money;

(j) Liens on amounts deposited to secure any Loan Party's obligations as security for surety, stay, custom, appeal performance and return of money bonds, and bonds of a like nature, in connection with obtaining such bonds in the ordinary course of business;

(k) non-exclusive licenses of Intellectual Property in the ordinary course of business;

(l) Liens on unearned insurance premiums securing the financing thereof;

(m) purchase money Liens or the interests of lessors under Capital Leases to the extent that such Liens or interests secure Permitted Purchase Money Indebtedness and so long as (i) such Lien attaches only to the asset purchased or acquired and improvements thereon and the proceeds thereof, and (ii) such Lien only secures the Indebtedness that was incurred to acquire the asset purchased or acquired (and improvements thereon);

(n) Liens on deposit accounts granted or arising in the ordinary course of business in favor of depositary banks maintaining such deposit accounts solely to secure customary account fees and charges payable in respect of such deposit accounts and overdrafts not in violation of this Agreement; and

(o) any other Liens securing Indebtedness in an aggregate amount not to exceed **[***]**.

"Permitted Priority Liens" means Permitted Liens which are non-consensual.

"Permitted Protest" means the right of Borrower or any of their Subsidiaries to protest any Lien (other than any Lien that secures the Obligations), taxes (other than payroll taxes or taxes that are the subject of a United States federal tax lien) or rental payment; *provided that* (a) a reserve with respect to such obligation is established on such Borrower's or Subsidiary's books and records in such amount as is required under GAAP, (b) any such protest is instituted promptly and prosecuted diligently by such Borrower or such Subsidiary, as applicable, in good faith, and (c) the Required Lenders are reasonably satisfied that, while any such protest is pending, there will be no impairment of the enforceability, validity, or priority of any of Agent's Liens or result in a Material Adverse Effect.

"Permitted Purchase Money Indebtedness" means, as of any date of determination, Indebtedness (other than the Obligations, but including, for the avoidance of doubt, Capitalized Lease Obligations and other obligations in respect of Capital Leases), incurred after the Closing Date and at the time of, or within ninety (90) days after, the acquisition of any fixed assets for the purpose of financing all or any part of the acquisition cost thereof.

"Permitted Tax Payments" means dividends or distributions paid by Borrower or any Subsidiary of Borrower to its direct or indirect owners to pay the tax liabilities of such direct or indirect owners arising as a result of such Person's equity in such Borrower or such Subsidiary of Borrower.

"Person" means natural persons, corporations, limited liability companies, limited partnerships, general partnerships, limited liability partnerships, joint ventures, trusts, land trusts, business trusts, or other organizations, irrespective of whether they are legal entities, and governments and agencies and political subdivisions thereof.

"Plan" means any employee benefit plan (as defined in Section 3(3) of ERISA) established by Borrower or any of its Subsidiaries or, with respect to any such plan that is subject to Section 412 of the IRC or Title IV of ERISA, an ERISA Affiliate.

"Pledge Agreement" means the Pledge Agreement, effective as of the date hereof, executed and delivered by each of the pledgors party thereto to Administrative Agent on behalf of the Lender Group, as the same may be amended, supplemented or otherwise modified from time to time.

"Prime Rate" means the rate of interest last quoted by The Wall Street Journal as the "Prime Rate" in the U.S. or, if The Wall Street Journal ceases to quote such rate, the highest per annum interest rate published by the Federal Reserve Board in Federal Reserve Statistical Release H.15 (519) (Selected Interest Rates) as the "bank prime loan" rate or, if such rate is no longer quoted therein, any similar rate quoted therein (as determined by Agent) or any similar release by the Federal Reserve Board (as determined by Agent). Any change in the Prime Rate shall take effect at the opening of business on the day such change is publicly announced or quoted as being effective.

"Pro Rata Share" means, as of any date of determination, with respect to any Lender, the percentage obtained by dividing (a) the Term Loan Exposure of such Lender by (b) the aggregate Term Loan Exposure of all Lenders, which, as of the Closing Date, is set forth on Schedule C-1 and which percentage may be adjusted from time to time by assignments permitted pursuant to Section 14.1.

"Projections" means Parent's and its Subsidiaries' forecasted (a) balance sheets, (b) profit and loss statements, and (c) cash flow statements, together with appropriate supporting details and a statement of underlying assumptions.

"Qualified Stock" means and refers to any Stock issued by Borrower (and not by one or more of their Subsidiaries) that is not a Disqualified Stock.

"Real Property" means any estates or interests in real property now owned or hereafter acquired by any Loan Party and the improvements thereto.

"Recipient" means (a) any Agent, or (b) any Lender, as applicable.

"Register" has the meaning specified therefor in Section 14.1(a)(iii).

"Regulatory Authority" means every Person, political subdivision, agency, commission or similar authority authorized by any Governmental Authority with jurisdiction over Borrower to regulate the growth, processing, testing, or sale of cannabis or medical marijuana in any State in which Borrower operates.

"Release" means any spilling, leaking, seepage, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, disposing, depositing, emanating or migrating in, into, onto or through the environment.

"Remedial Action" means all actions taken to (a) clean up, remove, remediate, contain, treat, monitor, assess, evaluate, or in any way address Hazardous Materials in the indoor or outdoor environment, (b) prevent or minimize a Release or threatened Release of Hazardous Materials so they do not migrate or endanger or threaten to endanger public health or welfare or the indoor or outdoor environment, (c) restore or reclaim natural resources or the environment, (d) perform any pre-remedial studies, investigations, or post-remedial operation and maintenance activities, or (e) conduct any other actions with respect to Hazardous Materials required by Environmental Laws.

"Replacement Lender" has the meaning specified therefor in Section 2.11(b).

"Reportable Event" means any of the events set forth in Section 4043(c) of ERISA, other than events for which the thirty (30) day notice period has been waived.

"Required Lenders" means, at any time, (a) Agents and (b) Lenders having or holding more than fifty percent (50.00%) of the Outstanding Amount.

"Restricted Payment" means to (a) declare or pay any dividend or make any other payment or distribution, directly or indirectly, on account of Stock issued by any other Loan Party (including any payment in connection with any merger or consolidation involving any Loan Party) or to the direct or indirect holders of Stock issued by any Loan Party in their capacity as such (other than dividends or distributions payable in Qualified Stock issued by a Loan Party), or (b) purchase, redeem, make any sinking fund or similar payment, or otherwise acquire or retire for value (including in connection with any merger or consolidation involving any Loan Party) any Stock issued by any Loan Party, (c) make any payment to retire, or to obtain the surrender of, any outstanding warrants, options, or other rights to acquire Stock of any Loan Party now or hereafter outstanding, (d) make, or cause or suffer to permit any Loan Party to make, any payment or prepayment of principal of, premium, if any, or interest on, or redemption, purchase, retirement, defeasance (including in-substance or legal defeasance), sinking fund or similar payment with respect to, any subordinated Indebtedness, and (e) make any payment with respect to (i) any earnout obligation or similar deferred or contingent obligation other than reasonable and customary bonuses, commissions, or similar payments to employees of the Loan Parties or (ii) advisory fees to any Affiliate of a Loan Party, including any allocation or sharing of overhead, selling, general or administrative expenses, taxes or other shared business expenses.

"S&P" has the meaning specified therefor in the definition of Cash Equivalents.

"Sale Assets" has the meaning specified therefor in Section 9.3(a).

"Sale Notice" has the meaning specified therefor in Section 9.3.

"Sanctioned Jurisdiction" means, at any time, a country, territory or geographical region which is itself the target of comprehensive Sanctions Laws (currently, Cuba, Iran, North Korea, Sudan, Crimea and Syria).

"Sanctions Laws" means all Applicable Laws concerning or relating to economic or financial sanctions, requirements or trade embargoes imposed, administered or enforced from time to time by OFAC, including, but not limited to, the following (together with their implementing regulations, in each case, as amended from time to time): the International Security and Development Cooperation Act (ISDCA) (22 U.S.C. §23499aa-9 et seq.) and the Trading with the Enemy Act (TWEA) (50 U.S.C. §5 et seq.).

"Sanctioned Entity" means (a) a country, region or territory or a government of a country, region or territory, (b) an agency of the government of a country, region or territory, (c) an organization directly or indirectly controlled by a country, region or territory, or its government, (d) a Person resident in or determined to be resident in a country, region or territory, in each case, that is subject to a country, region or territory, as applicable, sanctions program administered and enforced by OFAC.

"Sanctioned Person" means any Person that is a designated target of Sanctions Laws or is otherwise a subject of Sanctions Laws, including as a result of being (i) owned, held or controlled by any Person which is a designated target of Sanctions Laws, (ii) located or resident in, a national of, or organized under the laws of, any country that is subject to general or country-wide Sanctions Laws, or (iii) a Person named on the list of Specially Designated Nationals maintained by OFAC, or any Person owned fifty percent (50.00%) or more by one or more of such Persons.

"Seaport Facility" means that certain Loan Agreement, dated as of October 30, 2020, by and between Borrower, the lenders party thereto from time to time and Acquiom Agency Services LLC, as amended, restated or otherwise modified prior to the date hereof.

"SEC" means the United States Securities and Exchange Commission and any successor thereto.

"Second Term Loan" has the meaning specified therefor in Section 2.1(b).

"Securities Account" means a securities account (as that term is defined in the Code).

"Security Agreement" means the Security Agreement, dated as of the date hereof, executed and delivered by the Loan Parties to Agents on behalf of the Lender Group, as the same may be amended, supplemented or otherwise modified from time to time.

"Senior Funded Indebtedness" means, as of any date of determination, the sum of the outstanding principal amount of the Loans hereunder outstanding on such date (and excluding any Additional Term Loans ~~or Incremental Increase~~ not yet drawn), with respect to the Loan Parties and its Subsidiaries determined on a consolidated basis in accordance with GAAP.

"Senior Leverage Ratio" means, as of any date of determination, the ratio of (i) the amount of Senior Funded Indebtedness as of such date, to (ii) Adjusted EBITDA for the consecutive four (4) fiscal quarter period ended as of such date; *provided that*, for the fiscal quarters ending March 31, ~~2022~~2023, June 30, ~~2022~~ 2023 and September 30, ~~2022~~2023, Adjusted EBITDA shall be determined, in each case, as follows: (x) for the fiscal quarter ending March 31, ~~2022~~2023, the actual aggregate amount for such fiscal quarter period then ending multiplied by four (4); (y) for the fiscal quarter ending June 30, ~~2022~~2023, the actual aggregate amount for the two consecutive fiscal quarter period then ending multiplied by two (2); and (z) for the fiscal quarter ending September 30, ~~2022~~2023, the actual aggregate amount for the three consecutive fiscal quarter period then ending multiplied by four thirds (4/3).

"Solvent" means, with respect to any Person as of any date of determination, that (a) at fair valuations, the sum of such Person's debts (including contingent liabilities) is less than all of such Person's assets, (b) such Person is not engaged or about to engage in a business or transaction for which the remaining assets of such Person are unreasonably small in relation to the business or transaction or for which the property remaining with such Person is an unreasonably small capital, and (c) such Person has not incurred and does not intend to incur, or reasonably believe that it will incur, debts beyond its ability to pay such debts as they become due (whether at maturity or otherwise), and (d) such Person is "solvent" or not "insolvent", as applicable within the meaning given those terms and similar terms under Applicable Laws relating to fraudulent transfers and conveyances. For purposes of this definition, the amount of any contingent liability at any time shall be computed as the amount that, in light of all of the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability (irrespective of whether such contingent liabilities meet the criteria for accrual under Statement of Financial Accounting Standard No. 5).

"Stock" means, with respect to a Person, all of the shares, options, warrants, interests, participations, or other equivalents (regardless of how designated) of or in such Person, whether voting or nonvoting, including capital stock (or other ownership or profit interests or units), preferred stock, or any other "equity security" (as such term is defined in Rule 3a11-1 of the General Rules and Regulations promulgated by the SEC under the Exchange Act).

"Subsidiary" of a Person means a corporation, partnership, limited liability company, or other entity in which that Person directly or indirectly owns or controls the Stock having ordinary voting power to elect a majority of the Board of Directors of such corporation, partnership, limited liability company, or other entity. Unless otherwise indicated, any use of the term Subsidiary shall mean a Subsidiary of Borrower.

"Subsidiary Guarantor" means those certain Subsidiaries of a Loan Party or Parent in existence as of the Closing Date and set forth on Schedule S, and any Subsidiary of a Loan Party formed or acquired after the Closing Date that becomes a guarantor of the Obligations pursuant to Section 5.11 of the Agreement.

"Subsidiary Guaranty" means any guaranty agreement entered into at any time on or after the Closing Date executed and delivered by any Subsidiary Guarantors to Agents on behalf of the Lender Group, as the same may be amended, supplemented or otherwise modified from time to time.

"Taxes" means all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), fees, assessments or other charges imposed by any Governmental Authority or Regulatory Authority, including any interest, additions to tax or penalties applicable thereto.

~~"Tax Adjustment" means that with respect to Fixed Charges for any period, adjustments to the amount of Fixed Charges based on the difference between the amount of Taxes actually due and payable for such period and the amount of Taxes projected to be due and payable for such period in connection with setting the Fixed Charge Coverage Ratio for such period, such that after giving effect to such adjustment, the cushion reflected in the Fixed Charge Coverage Ratio for such period with respect to such projections is maintained regardless of such difference.~~

"Term Loan" and "Term Loans" has the meaning specified therefor in Section 2.1(d).

"Term Loan Amount" means an amount equal to one hundred fifty million Dollars ~~($100,000,000), as may be increased from time to time by the amount of the Incremental Increase in accordance with Section 2.3(e~~($150,000,000).

"Term Loan Exposure" means, with respect to any Lender, as of any date of determination, the aggregate amount of (a) such Lender's Commitment (in respect of Term Loans that have not been funded) and (b) the outstanding principal amount of Term Loans held by such Lender at such time.

"Term Loan Request Form" means the form delivered by Borrower pursuant to Section 2.2(a) in substantially the form of Exhibit C attached hereto.

"Third Term Loan" has the meaning specified therefor in Section 2.1(c).

"Title Insurance Policy" means a mortgagee's loan policy, in form and substance satisfactory to Agents, together with all reasonable endorsements made from time to time thereto, issued to Administrative Agent by or on behalf of a title insurance company selected by or otherwise satisfactory to Agent, insuring the Lien created by a Mortgage in an amount and on terms and with such endorsements satisfactory to Agents, subject to Permitted Liens, delivered to Agents.

"Total Funded Indebtedness" means, as of any date of determination and without duplication, the sum of (i) the outstanding principal amount of the Loans hereunder and all other Indebtedness for borrowed money of Parent and its Subsidiaries as of such date (excluding the Investment Debt) *plus* (ii) the outstanding principal amount of any revolving loans outstanding at such date (excluding any undrawn amounts under any such applicable revolving credit facilities), with respect to the Loan Parties and its Subsidiaries determined on a consolidated basis in accordance with GAAP.

"Total Leverage Ratio" means, as of any date of determination, the ratio of (i) the amount of Total Funded Indebtedness as of such date, to (ii) Adjusted EBITDA for the consecutive four (4) fiscal quarter period ended as of such date; *provided that*, for the fiscal quarters ending March 31, ~~2022~~2023, June 30, ~~2022~~ 2023 and September 30, ~~2022~~2023, Adjusted EBITDA shall be determined, in each case, as follows: (x) for the fiscal quarter ending March 31, ~~2022~~2023, the actual aggregate amount for such fiscal quarter period then ending multiplied by four (4); (y) for the fiscal quarter ending June 30, ~~2022~~2023, the actual aggregate amount for the two consecutive fiscal quarter period then ending multiplied by two (2); and (z) for the fiscal quarter ending September 30, ~~2022~~2023, the actual aggregate amount for the three consecutive fiscal quarter period then ending multiplied by four thirds (4/3).

"Unfinanced Capital Expenditures" means, with respect to any Person for any period, Capital Expenditures by such Person and its Subsidiaries during such period that are not financed by Indebtedness; provided, **[***]**.

"United States" means the United States of America.

~~"Unused Incremental Line Fee" the meaning specified therefor in Section 2.1(c)(vi).~~

"Unused Line Fee" has the meaning specified therefor in Section 2.6(c).

"U.S. Person" means any Person that is a "United States Person" as defined in Section 7701(a)(30) of the IRC.

"Voidable Transfer" has the meaning specified therefor in Section 17.6.

"Write-Down and Conversion Powers" means, with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule.

1.2 **Accounting Terms**. All accounting terms not specifically defined herein shall be construed in accordance with GAAP. When used herein, the term "financial statements" shall include the notes and schedules thereto. Whenever the term "Parent" is used in respect of a financial covenant or a related definition, it shall be understood to mean Parent and its Subsidiaries on a consolidated basis, unless the context clearly requires otherwise. Whenever the term "Borrower" is used in respect of a financial covenant or a related definition, it shall be understood to mean Parent and its Subsidiaries on a consolidated basis, unless the context clearly requires otherwise. Notwithstanding anything to the contrary contained herein, (a) all financial statements delivered hereunder shall be prepared, and all financial covenants contained herein shall be calculated, without giving effect to (i) any election under Accounting Standards Codification 825-10-25 (or any similar accounting principle or other Accounting Standards Codification or Financial Accounting Standard having a similar result or effect) permitting a Person to value its financial liabilities or Indebtedness at the fair value thereof or (ii) any treatment of Indebtedness in respect of convertible debt instruments under Accounting Standards Codification 470-20 (or any other Accounting Standards Codification or Financial Accounting Standard having a similar result or effect) to value any such Indebtedness in a reduced or bifurcated manner as described therein, and such Indebtedness shall at all times be valued at the full stated principal amount thereof and (b) the term "unqualified opinion" as used herein to refer to opinions or reports provided by accountants shall mean an opinion or report that does not include any qualification or supplemental comment concerning the scope of the audit. Notwithstanding anything to the contrary contained herein or in the definition of "Capital Lease Obligations," any change in accounting for leases pursuant to GAAP resulting from the adoption of Financial Accounting Standards Board Accounting Standards Update No. 2016-02, Leases (Topic 842) ("FAS 842"), to the extent such adoption would require treating any lease (or similar arrangement conveying the right to use) as a capital lease where such lease (or similar arrangement) would not have been required to be so treated under GAAP as in effect on December 31, 2015, such lease shall not be considered a capital lease, and all calculations and deliverables under this Agreement or any other Loan Document shall be made or delivered, as applicable, in accordance therewith. If at any time any change in GAAP would affect the computation of any financial ratio or covenant set forth in any Loan Document, and either Borrower or the Required Lenders shall so request, Agents, the Lenders and Borrower shall negotiate in good faith to amend such ratio or requirement to preserve the original intent thereof in light of such change in GAAP (subject to the approval of the Required Lenders); provided that, until so amended, (i) such ratio or requirement shall continue to be computed in accordance with GAAP prior to such change therein and (ii) Borrower shall provide to Agents and the Lenders unaudited financial statements and other documents required under this Agreement or as reasonably requested hereunder setting forth a reconciliation between calculations of such ratio or requirement made before and after giving effect to such change in GAAP.

1.3 **Code**. Any terms used in this Agreement that are defined in the Code shall be construed and defined as set forth in the Code unless otherwise defined herein; *provided that* to the extent that the Code is used to define any term herein and such term is defined differently in different Articles of the Code, the definition of such term contained in Article 9 of the Code shall govern.

1.4 **Construction**. Unless the context of this Agreement or any other Loan Document clearly requires otherwise, references to the plural include the singular, references to the singular include the plural, the terms "includes" and "including" are not limiting, and the term "or" has, except where otherwise indicated, the inclusive meaning represented by the phrase "and/or." The words "hereof," "herein," "hereby," "hereunder," and similar terms in this Agreement or any other Loan Document refer to this Agreement or such other Loan Document, as the case may be, as a whole and not to any particular provision of this Agreement or such other Loan Document, as the case may be. Section, subsection, clause, schedule, and exhibit references herein are to this Agreement unless otherwise specified. Any reference in this Agreement or in any other Loan Document to any agreement, instrument, or document shall include all alterations, amendments, changes, extensions, modifications, renewals, replacements, substitutions, joinders, and supplements, thereto and thereof, as applicable (subject to any restrictions on such alterations, amendments, changes, extensions, modifications, renewals, replacements, substitutions, joinders, and supplements set forth herein). 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. Any reference herein or in any other Loan Document to the satisfaction, prepayment, repayment, or payment in full of the Obligations shall mean (a) the payment or repayment in full in immediately available funds of (i) the principal amount of, and interest accrued and unpaid with respect to, the outstanding Loans, (ii) all Lender Group Expenses that have accrued and are unpaid (other than contingent obligations in respect of which no claim has been made), (iii) all fees or charges that have accrued hereunder or under any other Loan Document and are unpaid, and (b) the termination of all of the Commitments of the Lenders hereunder. Any reference herein to any Person shall be construed to include such Person's successors and permitted assigns.

1.5 **Schedules and Exhibits**. All of the schedules and exhibits attached to this Agreement shall be deemed incorporated herein by reference.

1.6 **Documents Executed by an Officer.** Any document delivered hereunder that is signed by an officer of a Loan Party shall be conclusively presumed to have been authorized by all necessary corporate or other organizational action on the part of such Loan Party and such officer shall be conclusively presumed to have acted on behalf of such Loan Party.

2. LOAN AND TERMS OF PAYMENT.

2.1 **Term Loans**~~.~~.

(a) Subject to the terms and conditions of this Agreement and in reliance upon the representations and warranties of the Loan Parties contained herein, the Lenders, on the Closing Date and prior to the First Amendment Closing Date, made one or more loans to Borrower (collectively, the "Initial Term Loans") in an aggregate principal amount of One Hundred Million Dollars ($100,000,000), less the Original Issue Discount and Agent Fee.

(b) Subject to the terms and conditions of this Agreement and in reliance upon the representations and warranties of the Loan Parties contained herein, the Lenders agree to make an ~~initial~~ additional loan (the "~~Initial~~ Second Term Loan") ~~on the~~ within one (1) Business Day following the First Amendment Closing Date in an amount of ~~seventy-five million~~ Thirteen Million Dollars (~~$75,000,000),~~ 13,000,000), less the Original Issue Discount and Agent Fee.

(c) The Lenders agree, from time to time~~, subject in each case to the financial covenants set forth in Section 7 and the conditions set forth in Section 3.2 (each such loan, an "Additional Term Loan" and collectively with the Initial Term Loan and any Incremental Increases in accordance with Section 2.3(e), each, a "Term Loan" and collectively, the "Term Loans") solely during the Draw Period to make further Loans to Borrower up to an amount equal to the then unfunded portion of the Term Loan Amount. The outstanding principal balance of and all accrued and unpaid interest on the Term Loans shall be due and payable on the earlier of (i) the Maturity Date, (ii) a Change in Control, (iii) upon the sale or transfer of all or substantially all assets of the Collateral Properties and (iv) the date of the acceleration of the Term Loans in accordance with the terms hereof. Any principal amount of the Term Loans that is repaid or prepaid may not be reborrowed. All principal of, interest on, and other amounts payable in respect of the Term Loans shall constitute Obligations.~~ solely during the Draw Period, subject in each case to the conditions set forth in Section 3.2 (the "Third Term Loan") to make further Loans to Borrower up to an amount equal to Twelve Million Dollars ($12,000,000).

(d) The Lenders agree, from time to time after January 1, 2023 and solely during the Draw Period, subject in each case to the financial covenants set forth in Section 7 and the conditions set forth in Section 3.2 (each such loan, an "Additional Term Loan" and collectively with the Initial Term Loans, the Second Term Loan and the Third Term Loan, each, a "Term Loan" and collectively, the "Term Loans") to make further Loans to Borrower up to an amount equal to the then unfunded portion of the Term Loan Amount. The outstanding principal balance of and all accrued and unpaid interest on the Term Loans shall be due and payable on the earlier of (i) the Maturity Date, (ii) a Change of Control, excluding, for greater certainty, any Permitted Canopy Transaction, (iii) upon the sale or transfer of all or substantially all assets of the Collateral Properties and (iv) the date of the acceleration of the Term Loans in accordance with the terms hereof. Any principal amount of the Term Loans that is repaid or prepaid may not be reborrowed. All principal of, interest on, and other amounts payable in respect of the Term Loans shall constitute Obligations.

2.2 **Borrowing Procedures**.

(a) If Borrower desires an Additional Term Loan, Borrower shall notify Agents no later than 3:00 p.m. (New York Time), at least five (5) Business Days prior to the date such Additional Term Loan is to be made, which notice may be given by telephone. Each such notification shall be confirmed promptly by delivery to Agents of a written and completed Term Loan Request Form in substantially the form of Exhibit C hereto, signed by an authorized officer of Borrower. Agents shall be entitled to rely on any notice given by a person who Agents reasonably believes to be an authorized officer of Borrower, and Borrower shall indemnify and hold Agents harmless for any damages or loss suffered by Agents as a result of such reliance. Each such request for a Term Loan shall be for a minimum of ten million Dollars ($10,000,000) and such requests shall not exceed two (2) times per month.

(b) Following receipt of a Term Loan Request Form, Agents shall promptly notify each Lender of the amount of the portion of the Additional Term Loan to be funded by such Lender under Section 2.1. Upon satisfaction of the applicable conditions set forth in Section 3.2 (and, if such Term Loan is the Initial Term Loan made on the Closing Date, Section 3.1), Agent shall make all funds so received available to Borrower by wire transfer of such funds, in each case in accordance with instructions provided to (and reasonably acceptable to) Agents by Borrower .

~~(c) **Incremental Loans**.~~

~~(i) **Request for Incremental Increase**. Not less than thirty (30) days prior to the expiration of the Draw Period (or such later date as Agents may agree in writing in their sole discretion) upon written notice to Agents, Borrower may request a one-time increase in the Commitments (the "Incremental Increase"); provided that (A) the principal amount of such requested Incremental Increase shall not exceed the Incremental Loan Limit, (B) the Incremental Increase shall be in a minimum amount of ten million Dollars ($10,000,000) (or such lesser amount as agreed to by Agents), (C) the Incremental Increase shall only be effective immediately following the end of the Draw Period and (D) upon Agents' receipt of Borrower's request for any Incremental Increase, any amounts remaining under the Incremental Loan Limit shall automatically be reduced to zero.~~

(ii) **Incremental Lenders**. Each notice from Borrower pursuant to this Section 2.2(e) shall set forth the requested amount and proposed terms of the relevant Incremental Increase. The Incremental Increase may be provided by any Lender (in such capacity, the "Incremental Lender" and collectively, the "Incremental Lenders"). At the time of sending such notice, Borrower (in consultation with Agents) shall specify the time period within which the Incremental Lenders are requested to respond, which shall in no event be less than five (5) Business Days from the date of delivery of such notice to the proposed Incremental Lenders (or such shorter period as agreed to by Agents) (such date, the "Incremental Increase Response Date"). Each Incremental Lender may elect or decline, in its sole discretion, and shall notify Agents within such time period whether it agrees to provide the Incremental Increase and, if so, whether by an amount equal to, greater than or less than requested. If an Incremental Lender does not respond within such time period, such Incremental Lender shall be deemed to have declined to provide an Incremental Increase. If the Incremental Lenders (A) fail to elect to fund the full amount of the Incremental Increase requested by Borrower under Section 2.2(e)(i) by the Incremental Increase Response Date or (B) fail to fund to full amount of the Incremental Increase requested by Borrower under Section 2.2(e)(i) on the Incremental Increase Effective Date, the Lenders shall cover the remaining amount of the Incremental Increase in proportion to their Pro Rata Share, unless a Lender elects in its discretion to fund more than its Pro Rata Share.

(iii) **Incremental Increase Effective Date and Allocations**. Agents and Borrower shall determine the effective date of the Incremental Increase (the "Incremental Increase Effective Date"). Agents shall promptly notify Borrower and the Incremental Lenders of the final allocation of the Incremental Increase (limited in the case of the Incremental Lenders to their own respective allocations thereof). Agents shall promptly notify Borrower and the Incremental Lenders of the final allocation of the Incremental Increases and the Incremental Increase Effective Date.

(iv) **Terms of Incremental Increase**. The terms of the Incremental Increase (which shall be set forth in the relevant Incremental Amendment) shall be determined by Borrower and the applicable Incremental Lender; provided that (1) subject to the terms of the Incremental Amendment, the Incremental Increase shall otherwise have the same terms as the Term Loans and (2) the Incremental Increase shall become effective as of the Incremental Increase Effective Date and shall be subject to the following conditions precedent:

(A) no Default or Event of Default shall have occurred and be continuing on the Incremental Increase Effective Date immediately prior to or after giving effect to (i) the Incremental Increase or (ii) the making of the initial extensions of credit pursuant thereto;

(B) all of the representations and warranties set forth in Section 4 shall be true and correct in all material aspects (or if qualified by materiality or Material Adverse Effect, in all respects) as of the Incremental Increase Effective Date, or if such representation speaks as of an earlier date, as of such earlier date;

(C) Agents shall have received from Borrower, a Compliance Certificate including calculations in sufficient detail demonstrating, in form and substance satisfactory to Agents, that Borrower is (x) in compliance with the financial covenants set forth in Section 7 on and as of the Incremental Increase Effective Date, both before and after giving effect on a pro forma basis to the incurrence of any the Incremental Increase and any other event consummated in connection therewith giving rise to a pro forma basis adjustment and (y) in compliance with an Incremental Fixed Charge Coverage Ratio (calculated on a pro forma basis as set forth in the definition thereof) of no less than 1.35 to 1.00;

(D) Borrower shall have executed an Incremental Amendment in form and substance reasonably acceptable to Borrower and the applicable Incremental Lenders;

(E) the maturity date of the Incremental Increase shall be the Maturity Date;

(F) Agents shall have received from Borrower any customary legal opinions or other documents (including a resolution duly adopted by the board of directors (or equivalent governing body) of Borrower authorizing the Incremental Increase) reasonably requested by Agents in connection with the Incremental Increase;

(G) the fair market value of any Collateral that is owned Real Property acquired with respect to the Incremental Increase shall equal at least the amount of the Incremental Increase or any After Acquired Collateral that is owned Real Property when added to such Collateral that is owned Real Property acquired with respect to the Incremental Increase shall in the aggregate equal the amount of the Incremental Increase;

(H) Agents shall have received evidence that all taxes shown on such tax returns to be due and payable and all assessments, fees and other similar governmental charges imposed by a tax authority upon a Loan Party set forth on Schedule 4.17 have been paid; and

(I) the payment by Borrower of any fees, costs and expenses due and owing to Agents or any Lenders, including the payment of an Agent Fee and Original Issue Discount.

(v) **Incremental Amendments**. Each the Incremental Increase shall be effected pursuant to an amendment (an "Incremental Amendment") to this Agreement and, as appropriate, the other Loan Documents, executed by Borrower, Agents and the Incremental Lender, which Incremental Amendment may, without the consent of any other Lenders, effect such amendments to this Agreement and the other Loan Documents as may be necessary or appropriate, in the reasonable opinion of Agents, to effect the provisions of this Section 2.2(e).

(vi) **Use of Proceeds**. The proceeds of any Incremental Increase shall be used by Borrower consistent with Section 6.13; *provided that* Borrower may use the proceeds of any Incremental Increase to expand operations into any other jurisdiction not otherwise a Core State so long as (1) Borrower obtains Agent's prior written consent and (2) such jurisdiction shall then be considered a Core State hereunder.

2.3 **Payments; Termination of Commitments; Prepayments**.

(a) **Payments by Borrower.** Except as otherwise expressly provided herein, (i) all payments by Borrower due and payable to any Lender pursuant to this Agreement shall be made for the benefit of such Lender to Administrative Agent's Account (for subsequent distribution to each Lender) and shall be made in immediately available funds, no later than 5:00 p.m. (New York Time) on the date specified herein and (ii) all payments by Borrower due and payable to Administrative Agent pursuant to this Agreement shall be made to Administrative Agent at Agent's Account and shall be made in immediately available funds, no later than 5:00 p.m. (New York Time) on the date specified herein. Any payment received by Administrative Agent later than 5:00 p.m. (New York Time) shall be deemed to have been received (unless Administrative Agent or such applicable Lender, as applicable, in its sole discretion, elects to credit it on the date received) on the following Business Day and any applicable interest or fee shall continue to accrue until such following Business Day; *provided that*, the failure of Borrower to make a payment to Administrative Agent's Account on or before 5:00 p.m. (New York Time) in accordance with the foregoing shall not constitute a Default or an Event of Default so long as such payment is received on the applicable due date provided herein.

(b) **Apportionment and Application**.

(i) So long as no Application Event has occurred and is continuing, all principal and interest payments made by Borrower shall be paid ratably to the Lenders (according to the unpaid principal balance of the Obligations to which such payments relate held by each Lender) and all payments of fees and expenses made by Borrower (other than fees or expenses that are for each Agent's separate account, which fees and expenses shall be paid to Agents) shall be paid ratably to each Lender according to such Lender's Pro Rata Share of the type of commitment or Obligation to which a particular fee or expense relates. Subject to any applicable regulatory requirements (including any licensing requirements promulgated by applicable Governmental Authorities or Regulatory Authorities), all proceeds of Collateral received by Agents, shall be applied, so long as no Application Event has occurred and is continuing, to be distributed to Borrower (to be wired to the Designated Account) or such other Person entitled thereto under Applicable Law. If any Lender shall receive any amounts in respect of the Obligations at any time that an Application Event has occurred and is continuing, such Lender shall receive such amounts as trustee for Agents, and such Lender shall deliver any such amounts to Agents for application to the Obligations in accordance with Section 2.3(b)(ii).

(ii) At any time that an Application Event has occurred and is continuing, all payments remitted to Agents or any Lender and all proceeds of Collateral received by Agents shall be applied as follows:

(A) first, to pay the Lender Group Expenses (including cost or expense reimbursements) or indemnities then due to Agents under the Loan Documents until paid in full,

(B) second, to pay any fees or premiums then due to Agents and ratably, to the Lenders under the Loan Documents until paid in full,

(C) third, ratably, to pay the Lender Group Expenses (including cost or expense reimbursements) or indemnities then due to any Lender under the Loan Documents until paid in full,

(D) fourth, to the extent not paid under clause (C) above, ratably, to pay any fees or premiums then due to any Lender under the Loan Documents until paid in full,

(E) fifth, ratably, to pay interest accrued in respect of the Term Loans until paid in full,

(F) sixth, ratably, to pay the outstanding principal balance of the Term Loans, until the Term Loans are paid in full,

(G) seventh, to pay any other Obligations; and

(H) eighth, to Borrower (to be wired to the Designated Account) or such other Person entitled thereto under Applicable Law.

(iii) Administrative Agent promptly shall distribute to each Lender, pursuant to the applicable wire instructions received from such Lender in writing, such funds as it may be entitled to receive.

(iv) In each instance, so long as no Application Event has occurred and is continuing, Section 2.3(b)(i) shall not apply to any payment made by Borrower to Administrative Agent and specified by Borrower to be for the payment of specific Obligations then due and payable (or prepayable) under any provision of this Agreement or any other Loan Document.

(v) For purposes of Section 2.3(b)(ii), "paid in full" of a type of Obligation means payment in cash or immediately available funds of all amounts owing on account of such type of Obligation, including interest accrued after the commencement of any Insolvency Proceeding, default interest, interest on interest, and expense reimbursements, irrespective of whether any of the foregoing would be or is allowed or disallowed in whole or in part in any Insolvency Proceeding.

(vi) In the event of a direct conflict between the priority provisions of this Section 2.3 and any other provision contained in this Agreement or any other Loan Document, it is the intention of the parties hereto that such provisions be read together and construed, to the fullest extent possible, to be in concert with each other.

(c) **Termination and Reduction of Commitments.** The Commitment to make a Term Loan shall automatically terminate upon the making of such Term Loan. Further, Borrower may terminate this Agreement and terminate the Commitments hereunder pursuant to Section 3.6.

(d) **[Reserved].**

(e) **Optional Prepayments.** After the Closing Date, Borrower may, upon at least five (5) Business Days' prior written notice to Agents and each Lender, prepay all or any part of the Outstanding Amount, in accordance with Section 2.3(h); *provided that* (i) the amount of such prepayment shall be no less than ten percent (10.00%) of the Outstanding Amount and (ii) such prepayments may not be made more than two (2) times in any calendar year.

(f) **Mandatory Prepayments.**

(i) Within three (3) Business Days following the date of receipt by any Loan Party of (A) the Net Cash Proceeds of any voluntary or involuntary sale or disposition by any Loan Party under clause (p) of the definition of Permitted Disposition or (B) insurance proceeds related to 510 N. Mantua, Boulevard, Sewell, New Jersey 08080, which in each case, such amount shall not be less than $3,000,000, Borrower shall use such Net Cash Proceeds to prepay the outstanding principal amount of the Loans in accordance with Section 2.3(h); *provided that*, so long as (A) no Default or Event of Default shall have occurred and is continuing or would result therefrom, (B) Borrower shall have obtained Agents prior written consent to such Loan Party applying such monies for the replacement, purchase, or construction on the properties or assets useful in the business of the Loan Parties, (C) the monies are held in a Deposit Account subject to a Control Agreement in favor of Agents and in which Agents has a perfected first priority security interest, and (D) such Loan Party has, within **[***]** days following the initial receipt of such proceeds, applied such monies to the costs of the purchase, construction, repair or restoration on the properties or assets held by the Loan Parties), such Loan Party shall have the option to apply such monies to the costs of the replacement, purchase, or construction on the properties or assets useful in the business of the Loan Parties unless and to the extent that such applicable period shall have expired without such replacement, purchase or construction being made or completed, in which case, any amounts not reinvested in accordance with the foregoing after expiration of the applicable period above shall be paid to Agents and the Lenders and applied in accordance with Section 2.3(h).

For the avoidance of doubt and notwithstanding anything herein to the contrary, the Disposition of any assets by a Non-Core Entity will not require any prepayment of the Loans.

~~(g) [Reserved].~~

(g) **Maturity Date Extension**. Borrower may elect at any time after January 1, 2023 and before January 1, 2024, upon the delivery of a written notice to Agents and the Lenders, to extend the Maturity Date to January 1, 2027 (the "Maturity Date Extension"); provided that:

(i) Borrower shall pay to Agents an extension fee in an amount equal to one percent (1.00%) of the Term Loan Amount; and

(ii) the principal balance of the Term Loans shall be repaid in consecutive monthly installments, commencing on January 1, 2024, each of which shall be an amount equal to five (5.00%) per year of the Outstanding Amount as of the last day of the Draw Period and shall be fixed at said amount for the remainder of the Term Loans; provided that, the final principal repayment installment of the Term Loans repaid on the Maturity Date shall be, in any event, in an amount equal to the aggregate principal amount of the Outstanding Amount on such date.

(h) **Application of Payments.** Each prepayment made pursuant to Section 2.3(e) or 2.3(f) shall be accompanied by the payment of accrued interest to the date of such payment on the amount prepaid. Each such prepayment of the Term Loans shall be applied to the Outstanding Amount of the Term Loans. Each prepayment pursuant to Section 2.3(e) or 2.3(f) shall (i) so long as no Application Event shall have occurred and be continuing, be applied, to the Outstanding Amount as set forth in Section 2.3(b)(i) until paid in full and (ii) if an Application Event shall have occurred and be continuing, be applied in the manner set forth in Section 2.3(b)(ii).

2.4 **Promise to Pay**.

Borrower agrees to pay the Lender Group Expenses on the earlier of (a) the first day of the month following the date on which the applicable Lender Group Expenses were first incurred and (b) the date on which demand therefor is made by Agents or a Lender, as applicable. Borrower promises to pay all of the actual Obligations (including principal, interest, premiums, if any, fees, costs, and expenses (including Lender Group Expenses)) which are due in full on the Maturity Date or, if earlier, on the date on which the Obligations become due and payable pursuant to the terms of this Agreement. Borrower agrees that its obligations contained in the first sentence of this Section 2.4 shall survive payment or satisfaction in full of all other Obligations. Notwithstanding the foregoing, the Lender Group Expenses payable by Borrower with respect to the closing of the Initial Term Loan on the Closing Date (including, but not limited to, attorneys' fees and expenses, the filing and recording of Mortgage Supporting Documentation, title insurance and construction review (if applicable) and excluding (i) any attorneys' fees and expenses incurred by Co-Agent prior to October 27, 2021 shall not exceed $450,000.

2.5 **Interest Rates, Payments and Calculations**.

(a) **Interest Rates.**

(i) ~~All~~ From the Closing Date until and including September 30, 2022, all Obligations that have been charged to the Loan Account pursuant to the terms hereof with respect to the Term Loans shall bear interest payable in cash on the Outstanding Amount at a rate per annum equal to 9.75%. Beginning on October 1, 2022, all Obligations that have been charged to the Loan Account pursuant to the terms hereof with respect to the Term Loans shall bear interest payable in cash on the Outstanding Amount at a rate per annum equal to ABR plus the Applicable Margin and shall be payable in accordance with Section 2.5(d).

(ii) **[***]** and shall be payable in accordance with Section 2.5(d).

(b) **Default Rate.** Upon the occurrence and during the continuation of an Event of Default and at the written election of the Required Lenders (or automatically while any Event of Default under Section 8.1(d) or (e) exists), all outstanding Obligations shall bear interest from the date of the occurrence of such Event of Default at a per annum rate equal to **[***]** above the per annum rate otherwise applicable to such Obligation hereunder or under any other Loan Document (or, in the case of any amounts that do not otherwise bear interest, at a rate equal to **[***]** above the per annum interest rate otherwise payable hereunder), payable in cash; provided, that upon any cure or waiver of such Event of Default, the rate of interest shall automatically revert to the rate of interest set forth in clause (a) above.

(c) **Payment.** Except as expressly provided herein to the contrary, all interest and contingent interest payable under this Agreement or under any of the other Loan Documents shall be due and payable in cash, in arrears, on the first day of each month following the Closing Date and all costs and expenses payable hereunder or under any of the other Loan Documents, and all Lender Group Expenses shall be due and payable on the earlier of (x) the first day of the month following the date on which the applicable costs, expenses, or Lender Group Expenses were first incurred and (y) the date on which demand therefor is made by Agents or a Lender, as applicable. Borrower hereby authorize Agents and the Lenders, from time to time to charge to the Loan Account (A) on the first day of each month, all interest accrued during the prior month on any Loan hereunder, (B) as and when incurred or accrued, all audit, appraisal, valuation, or other charges or fees payable pursuant to Section 2.10, (C) as and when due and payable, all other fees payable hereunder or under any of the other Loan Documents, (D) as and when due in accordance with Section 2.5(c), all Lender Group Expenses, and (E) as and when due and payable all other payment obligations payable under any Loan Document.

(d) All amounts (including interest, premiums, if any, fees, costs, expenses, Lender Group Expenses, or other amounts payable hereunder or under any other Loan Document) charged to the Loan Account shall thereupon constitute Obligations hereunder, and shall initially accrue interest at the rate then applicable to the Loans.

(e) **Computation.** All interest and applicable fees chargeable under the Loan Documents shall be computed on the basis of a three hundred sixty (360) day year, in each case, for the actual number of days elapsed in the period during which the interest or fees accrue.

(f) **Intent to Limit Charges to Maximum Lawful Rate.** In no event shall the interest rate or rates payable under this Agreement or any other Loan Document, plus any other amounts paid in connection herewith or therewith, exceed the highest rate permissible under any law that a court of competent jurisdiction shall, in a final determination, deem applicable. Borrower and the Lender Group, in executing and delivering this Agreement, intend legally to agree upon the rate or rates of interest and manner of payment stated within it; *provided that*, anything contained herein to the contrary notwithstanding, if such rate or rates of interest or manner of payment exceeds the maximum allowable under Applicable Law, then, *ipso facto*, as of the date of the Closing Date, Borrower is and shall be liable only for the payment of such maximum amount as is allowed by law, and payment received from Borrower in excess of such legal maximum, whenever received, shall be applied to reduce the principal balance of the Obligations to the extent of such excess.

(g) **[reserved].**

(h) **Increased Costs.** If, after the date hereof, any Change in Law:

(i) shall subject any Recipient (or any of their respective lending offices) to any Taxes (other than (A) Taxes described in clauses (b) through (d) of the definition of Excluded Taxes, (B) Connection Income Taxes, and (C) Indemnified Taxes) with respect to any loan, loan principal, letter of credit, commitments or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto;

(ii) shall impose, modify or deem applicable any reserve (including, without limitation, any imposed by the Board of Governors of the U.S. Federal Reserve System), special deposit, insurance or capital or similar requirement against assets of, deposits with or for the account of, or credit extended by any of the Lenders (or any of their respective lending offices) or shall impose on any of the Lenders (or any of their respective lending offices) or the foreign exchange and interbank markets any other condition affecting any Loan;

(iii) and the result of any of the foregoing is to increase the costs to any of the Lenders of maintaining any Term Loan or to reduce the yield or amount of any sum received or receivable by any of the Lenders under this Agreement or under the Notes in respect of a Term Loan, then such Lender shall promptly notify Agents, and Agents shall promptly notify Borrower of such fact and demand compensation therefor and, promptly (but no later than the earlier of the next January 31 or the Maturity Date) after such notice by Agents, Borrower shall pay to such Lender such additional amount or amounts as will compensate such Lender for such increased cost or reduction; provided, that to the extent any such costs or reductions are incurred by any Lender as a result of any requests, rules, guidelines or directives enacted or promulgated under the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 and Basel III, then such Lender shall be compensated pursuant to this Section 2.5(h) only to the extent such Lender is imposing such charges on similarly situated borrowers where the terms of other credit facilities permit it to impose such charges. Agents will promptly notify Borrower of any event of which it has knowledge which will entitle any Lender to compensation pursuant to this Section 2.5(h); *provided that*, Agents shall incur no liability whatsoever to any Lender or Borrower in the event it fails to do so. The amount of such compensation shall be determined, in each Lender's sole discretion, based upon the assumption that such Lender funded the Term Loans in the London interbank market and using any reasonable attribution or averaging methods which such Lender deems appropriate and practical. Any Lender requesting compensation under this Section 2.5(h) shall be required to deliver to Borrower a certificate of such Lender setting forth in reasonable detail the basis for determining such amount or amounts necessary to compensate such Lender shall be forwarded to Borrower through Agents and shall be conclusively presumed to be correct save for manifest error. Borrower shall pay such Lender the amount shown as due on any such certificate within fifteen (15) days after receipt thereof.

(iv) Failure or delay on the part of any Lender to demand compensation pursuant to this Section 2.5(h) shall not constitute a waiver of such Lender's right to demand such compensation; *provided that*, Borrower shall not be required to compensate such Lender pursuant to this clause (iv) for any increased costs incurred or reductions suffered more than nine (9) months prior to the date that such Lender notifies Borrower of the Change in Law giving rise to such increased costs or reductions and of such Lender's intention to claim compensation therefore (except that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the nine-month period referred to above shall be extended to include the period of retroactive effect thereof).

2.6 **Fees**.

(a) **[~~reserved~~Reserved].**

(b) **Agent Fee.** On (i) the Closing Date, Borrower paid an agent fee in an amount equal to **[***]** (the "Initial Agent Fee"), (ii) within one (1) Business Day following the First Amendment Closing Date, Borrower shall pay an agent fee in an amount equal to **[***]** and (iii) the yearly anniversary of the Closing Date, Borrower shall pay an agent fee in an amount equal to **[***]** of the Term Loan Amount (collectively, the "Agent Fee")~~of the Term Loan Amount~~ , which shall be allocated pro rata to each Agent in accordance with such Agent's proportion of the Term Loan Amount ~~(plus any Incremental Increase).~~ . The Agent Fee shall be fully earned as of the Closing Date and the First Amendment Closing Date, as applicable, and the making of the Term Loans on such date and paid in advance on the Closing Date, within one (1) Business Day following the First Amendment Closing Date and on each ~~yearly~~ anniversary of the Closing Date thereafter~~. Agent Fee shall also be fully earned as of the date of the closing of any Incremental Amendment and the making of any Incremental Increase on such date~~ in accordance with this Section 2.6(b).

(c) **Unused Line Fee**. During the Draw Period, Borrower shall pay to Agents an unused line fee (the "Unused Line Fee") in an amount equal to (i) **[***]** per annum of (ii) the Term Loan Amount, less the sum of the daily average Outstanding Amount of Term Loans for the preceding month. The Unused Line Fee shall be paid by Borrower monthly in arrears on the first day of each month and distributed to each Lender on a pro rata basis.

(d) **[Reserved].**

(e) **Late Fee**. A late fee shall be due and payable by Borrower in an amount equal to five percent (5.00%) of the amount of any payment hereunder more than five (5) days past due (the "Late Fee").

(f) All fees due and payable on the Closing Date shall be irrevocable when paid.

2.7 **Crediting Payments**.

The receipt of any payment item by Agents or any Lender shall not be required to be considered a payment on account unless such payment item is a wire transfer of immediately available federal funds made to Agent's Account or unless and until such payment item is honored when presented for payment. Should any payment item not be honored when presented for payment, then Borrower shall be deemed not to have made such payment and interest shall be calculated accordingly.

2.8 **Designated Account**.

Agents and each Lender are authorized to make the Loans under this Agreement based upon telephonic or other instructions received from anyone purporting to be the chief executive officer, chief financial officer or such other designated officer. Borrower agree to establish and maintain the Designated Account with the Designated Account Bank for the purpose of receiving the proceeds of the Loans.

2.9 **Maintenance of Loan Account; Statements of Obligations**.

Agents shall maintain an account on its books in the name of Borrower, (the "Loan Account") on which Borrower will be charged with the Term Loans, and with all other payment Obligations hereunder or under the other Loan Documents, including accrued interest, premiums, if any, fees and expenses, and Lender Group Expenses. In accordance with Section 2.7, the Loan Account will be credited with all payments received by Agents or the Lenders from Borrower or for Borrower's account. Agents shall provide statements regarding the Loan Account to Borrower, including principal, interest, fees, and including an itemization of all charges and expenses constituting Lender Group Expenses owing (but neither any Agent nor any Lender shall have any liability if any Agent shall fail to provide any such statement), and such statements, absent manifest error, shall be conclusively presumed to be correct and accurate and constitute an account stated between Borrower and the Lender Group unless, within sixty (60) days after Agents first makes such a statement available to Borrower (or such longer period as the Required Lenders may agree in their sole discretion), Borrower shall deliver to Agents and the Lenders written objection thereto describing the error or errors contained in any such statements.

2.10 **Financial Examination and Other Fees**.

Borrower shall pay to Agents financial examination, audit, appraisal, and valuation fees and charges, as and when incurred or chargeable, as follows: (i) reasonable and documented out of pocket expenses for each financial examination or audit of any Loan Party performed by personnel employed by Agents, and (ii) the reasonable fees and charges paid or incurred by Agents (plus reasonable and documented out of pocket expenses (including travel, meals, and lodging)) if it elects to employ the services of one or more third party Persons to perform financial examinations, audits or quality of earnings analyses of the Loan Parties, to appraise the Collateral, or any portion thereof, or to assess the Loan Parties' business valuation (which, for the avoidance of doubt, may include the employment of CohnReznick, LLP (or any of its Affiliates) or any other mutually-approved accounting firm); *provided, that* so long as no Default or Event of Default has occurred and is continuing, Borrower shall not be required to pay Agents for more than one third party appraisal of Real Property constituting Collateral during any 12-month period and one other such examination, audit, appraisal and/or valuation during any 12-month period.

2.11 **Capital Requirements**.

(a) If, after the date hereof, any Lender determines in good faith that (i) the adoption of or change in any law, rule, regulation or guideline regarding capital or reserve requirements for banks or bank holding companies, or any change in the interpretation, implementation, or application thereof by any Governmental Authority charged with the administration thereof, or (ii) compliance by such Lender or its parent bank holding company with any guideline, request, or directive of any such entity regarding capital adequacy or liquidity (whether or not having the force of law), has the effect of reducing the return on such Lender's or such holding company's capital as a consequence of such Lender's Commitments hereunder to a level below that which such Lender or such holding company could have achieved but for such adoption, change, or compliance (taking into consideration such Lender's or such holding company's then existing policies with respect to capital adequacy and liquidity) by any amount deemed by such Lender to be material, then such Lender may notify Borrower and Agents thereof. Following receipt of such notice, Borrower agrees to pay such Lender on demand the amount of such reduction of return of capital as and when such reduction is determined, payable within thirty (30) days after presentation by such Lender of a statement in the amount and setting forth in reasonable detail such Lender's calculation thereof and the assumptions upon which such calculation was based (which statement shall be deemed true and correct absent manifest error). In determining such amount, such Lender may use any reasonable averaging and attribution methods. Failure or delay on the part of such Lender to demand compensation pursuant to this Section shall not constitute a waiver of such Lender's right to demand such compensation; *provided that*, Borrower shall not be required to compensate a Lender pursuant to this Section for any reductions in return incurred more than one hundred twenty (120) days prior to the date that such Lender notifies Borrower of such law, rule, regulation or guideline giving rise to such reductions and of such Lender's intention to claim compensation therefor; *provided, further,* that if such claim arises by reason of the adoption of or change in any law, rule, regulation or guideline that is retroactive, then the one hundred twenty (120)-day period referred to above shall be extended to include the period of retroactive effect thereof.

(b) If such Lender requests additional or increased costs or amounts under Section 2.11(a), then such Lender shall use reasonable efforts to promptly designate a different one of its lending offices or to assign its rights and obligations hereunder to another of its offices or branches, if (i) in the reasonable judgment of such Lender, such designation or assignment would eliminate or reduce amounts payable pursuant to Section 2.11(a), as applicable, and (ii) in the reasonable judgment of such Lender, such designation or assignment would not subject it to any material unreimbursed cost or expense and would not otherwise be materially disadvantageous to it. If, after such reasonable efforts, such Lender does not so designate a different one of its lending offices or assign its rights to another of its offices or branches so as to eliminate Borrower's obligations to pay any future amounts to such Lender pursuant to Section 2.11(a), as applicable, then Borrower (without prejudice to any amounts then due to such Lender under Section 2.11(a), as applicable) may, unless prior to the effective date of any such assignment such Lender withdraws its request for such additional amounts under Section 2.11(a), as applicable, seek a substitute Lender reasonably acceptable to Agents (the consent of Agents not to be unreasonably withheld, conditioned or delayed) to purchase the Obligations owed to such Lender (a "Replacement Lender"), and if such Replacement Lender agrees to such purchase, such Lender shall assign to the Replacement Lender its Obligations, pursuant to an Assignment and Acceptance Agreement, and upon such purchase by the Replacement Lender, such Replacement Lender shall be deemed to be a "Lender" for purposes of this Agreement and such Lender shall cease to be a "Lender" for purposes of this Agreement.

(c) Notwithstanding anything herein to the contrary, the protections of this Section 2.11 shall be available to a Lender regardless of any possible contention of the invalidity or inapplicability of the law, rule, regulation, judicial ruling, judgment, guideline, treaty or other change or condition which shall have occurred or been imposed, so long as it shall be customary for lenders affected thereby to comply therewith.

(d) Notwithstanding anything herein to the contrary, including subsections (a)-(c) of this Section 2.11, a Lender shall not be entitled to make a claim for compensation under this Section 2.11 unless such Lender shall be subject to the capital or reserve requirements or capital adequacy and liquidity laws, rules, guidelines, requests, or directives contemplated herein.

2.12 **[Reserved]**.

2.13 **Adjustments for Failure to Fund.** In the event that a Lender fails to fund any Additional Term Loans in accordance with Section 2.1 despite the satisfaction of all conditions precedent and all other applicable requirements hereunder, and such failure continues for more than **[***]** days, Agent Fee, the Original Issue Discount and the Unused Line Fee shall be re-calculated based on the Total Loan Amount less the amount of any Additional Term Loans subject to such failure to fund, and such Lender that failed to fund shall refund to Borrower, if applicable, any excess amounts previously received based on such re-calculation.

3. CONDITIONS; TERM OF AGREEMENT.

3.1 **Conditions Precedent to the Extension of Credit on the Closing Date**.

The obligation of each Lender to make its extension of credit on the Closing Date is subject to the fulfillment, to the satisfaction of Agents, of each of the following conditions precedent:

(a) Agents shall have received evidence that appropriate financing statements have been duly filed in such office or offices as may be necessary or, in the reasonable opinion of Agents, desirable to perfect Agent's Liens in and to the Collateral;

(b) Agents shall have received each of the following documents, in form and substance reasonably satisfactory to Agents, duly executed and delivered, and each such document shall be in full force and effect:

(i) this Agreement;

(ii) the Notes;

(iii) the Security Agreement;

(iv) the Parent Guaranty;

(v) the Pledge Agreement;

(vi) Intercompany Subordination Agreement; and

(vii) a completed Perfection Certificate;

(c) Subject to Schedule 3.6, Agents shall have received a certificate from an officer of Parent and each Loan Party (i) attesting to the resolutions of Parent or such Loan Party's board of directors (or equivalent governing body) authorizing its execution, delivery, and performance of the Loan Documents to which it is a party and authorizing specific officers of such Loan Party to execute the same, (ii) attesting to the incumbency and signatures of such specific officers of Parent or such Loan Party, (iii) certifying as to Parent's or such Loan Party's Governing Documents, as amended, modified, or supplemented to the Closing Date (and with respect to Governing Documents that are charter documents, certified as of a recent date (not more than thirty (30) days prior to the Closing Date) by the appropriate governmental official, (iv) attaching a certificate of status with respect to Parent or such Loan Party, dated not more than thirty (30) days prior to the Closing Date, issued by the appropriate officer of the jurisdiction of organization of Parent or such Loan Party, which certificate shall indicate that Parent or such Loan Party is in good standing (if applicable) in such jurisdiction;

(d) Agents shall have received a certificate, in form and substance reasonably satisfactory to Agents, from the Chief Executive Officer, Chief Financial Officer or similar such officer of each Loan Party certifying that, after giving effect to the Term Loan and transactions hereunder, (i) the Loan Parties, on a consolidated basis, are Solvent, (ii) no Default or Event of Default has occurred and is continuing, (iii) the condition set forth in Section 3.1(k) is true and correct as of the Closing Date, and (iv) each Loan Party has complied with all conditions to be satisfied by it under the Loan Documents except to the extent waived or permitted to be delivered pursuant to Section 3.6;

(e) Agents shall have received a customary opinion of the Loan Parties' counsel in form and substance reasonably satisfactory to Agents;

(f) Agents shall have received all documentation and other information for each Loan Party required by bank regulatory authorities under applicable "know your customer" procedures and Anti-Money Laundering Laws, including the Patriot Act and such documentation and information shall be reasonably satisfactory to Agents and each Lender;

(g) Agents shall have completed its business, financial and legal due diligence of the Loan Parties, including but not limited to (i) review of material agreements, (ii) receipt of a satisfactory quality of earnings report, (iii) confirmation and review of any Cannabis Licenses and applications, (iv) receipt of UCC, tax lien and litigation searches, if applicable, and (v) review of the Loan Parties books and records, the results of which are satisfactory to Agents and each Lender;

(h) Each Loan Party shall have received all other governmental and third party approvals (including shareholder approvals and other consents) necessary or, in the reasonable opinion of Agents, advisable in connection with this Agreement, the transactions contemplated by the Loan Documents, which shall all 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 which would restrain, prevent or otherwise impose adverse conditions on this Agreement, the transactions contemplated by the Loan Documents;

(i) Agent shall have received a Mortgage with respect to 15335 Madison Road, Middlefield, OH 44062, duly executed and delivered by the Loan Parties party thereto in connecting with the closing of such Real Property, together with all Mortgage Supporting Documents relating thereto;

(j) The representations and warranties of the Loan Parties contained in this Agreement and in the other Loan Documents shall be true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality or Material Adverse Effect in the text thereof) on and as of the Closing Date (except to the extent that such representations and warranties relate solely to an earlier date, in which case such representations and warranties shall be true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality or Material Adverse Effect in the text thereof) or such earlier date;

(k) No injunction, writ, restraining order, or other order of any nature prohibiting, directly or indirectly, the making of the Term Loan on the Closing Date shall have been issued and remain in force by any Governmental Authority against Borrower, Agents, or any Lender;

(l) Agents shall have received evidence satisfactory to the Lender that the insurance policies required by Section 5.7 hereof are in full force and effect, together with the insurance certificates in favor of Administrative Agent;

(m) Agent shall have received payoff letters and other customary release documents with respect to the payoff of all obligations under (i) the Seaport Facility, (ii) the Pelorus Note, in each case, in form and substance satisfactory to Agents;

(n) Agents and each Lender shall have received all fees required to be paid, and all expenses required to be reimbursed (including the reasonable and documented fees and expenses of legal counsel); *provided that*, all such amounts may be paid with proceeds of the Term Loan made on the Closing Date;

(o) Agent shall have received executed copies of the Investment Debt Documents including an amendment providing for (i) the interest rate on such indebtedness shall be paid in cash until the first year anniversary of the Closing Date and on and as of the first year anniversary of the Closing Date, only be paid in kind, (ii) the maturity date of such indebtedness not being before ninety one (91) days after the Maturity Date, (iii) no guaranties of such indebtedness by Parent or any Loan Party and (iv) no cross-default to the Obligations; and

(p) Agents shall have received executed (and, if applicable, recorded) copies of all other documents and legal matters in connection with the transactions contemplated by this Agreement in form and substance reasonably satisfactory to Agents.

3.2 **Conditions Precedent to the Second Term Loan, the Third Term Loan and Additional Extensions of Credit.** The obligation of each Lender to make the Second Term Loan, the Third Term Loan and any other additional extensions of credit provided for hereunder is subject to the fulfillment, to the reasonable satisfaction of Agents and each Lender, of each of the following conditions precedent:

(a) ~~The~~ Except with respect to the Second Term Loan and Third Term Loan, the Loan Parties shall be in pro forma compliance with each of the financial covenants set forth in Article 7 of this Agreement;

(b) The representations and warranties of the Loan Parties contained in this Agreement and in the other Loan Documents shall be true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality or Material Adverse Effect in the text thereof) on and as of the date of the credit extension (except to the extent that such representations and warranties relate solely to an earlier date, in which case such representations and warranties shall be true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality or Material Adverse Effect in the text thereof) or such earlier date;

(c) Agents shall have received a certificate, in form and substance reasonably satisfactory to Agents, from the Chief Executive Officer, Chief Financial Officer or similar such officer of each Loan Party certifying that, after giving effect to the Second Term Loan, the Third Term Loan or Additional Term Loan~~-~~, as applicable, and transactions hereunder, (i) the Loan Parties and its Subsidiaries, on a consolidated basis, are Solvent, (ii) no Default or Event of Default exists, (iii) the condition set forth in Section 3.2(b) is true and correct as of such date, and (iv) each Loan Party has complied with all conditions to be satisfied by it under the Loan Documents except to the extent waived or permitted to be delivered pursuant to Section 4;

(d) No injunction, writ, restraining order, or other order of any nature prohibiting, directly or indirectly, the making of the Second Term Loan, the Third Term Loan or Additional Term Loan , as applicable, on the date of the additional extension of credit shall have been issued and remain in force by any Governmental Authority against Borrower, Agents or any Lender;

(e) No Default or Event of Default shall have occurred and be continuing as of the date of the additional extension of credit, nor shall either result from the making of the Second Term Loan, the Third Term Loan or Additional Term Loan~~-~~, as applicable, as of the date of the additional extension of credit;

(f) No Material Adverse Effect shall have occurred since the Closing Date;

(g) After giving effect to the Second Term Loan, the Third Term Loan or Additional Term Loan~~-~~, as applicable, as of the date of the additional extension of credit and the liabilities and obligations of each of the Loan Parties under the Loan Documents, the Loan Parties and its Subsidiaries, on a consolidated basis, shall be Solvent;

(h) Agents and each Lender shall have received all fees required to be paid, and all expenses required to be reimbursed (including the reasonable and documented fees and expenses of legal counsel); *provided that*, all such amounts may be paid with proceeds of the Second Term Loan, the Third Term Loan or the Additional Term Loan, as applicable;

(i) Agents shall have received evidence that all taxes shown on such tax returns to be due and payable and all assessments, fees and other similar governmental charges imposed by a tax authority upon a Loan Party set forth on Schedule 4.17 have been paid;

(j) Agents shall have received a schedule of sources and uses with respect to such Additional Term Loan in form and substance satisfactory to Agents;

(k) The Outstanding Amount shall not exceed $140,000,000 until the receipt by Agents of evidence satisfactory to Agents that (i) the proceeds of any Additional Term Loan have been used in accordance with the schedules of sources and uses delivered in accordance with Section 3.2(j) and (ii) Parent has Liquidity of not less than $25,000,000 for the last three consecutive months then ended; provided that in the event that the Loan Parties cannot provide evidence satisfactory to Agents that the proceeds of any such Additional Term Loan have been used in accordance with the schedules of sources and uses delivered in accordance with Section 3.2(j), then clause (c) of the definition of Liquidity shall include any such Additional Term Loans for which satisfactory evidence was not provided.

(l) ~~(j)~~Agents shall have received executed (and, if applicable, recorded) copies of all other documents and legal matters in connection with the transactions contemplated by this Agreement in form and substance satisfactory to Agents.

3.3 **Term.** Subject to Section 3.6, this Agreement shall continue in full force and effect for a term ending on the Maturity Date. The foregoing notwithstanding, the Lender Group, upon the election of the Required Lenders, shall have the right to terminate its obligations under this Agreement immediately and without notice upon the occurrence and during the continuation of an Event of Default (other than any Event of Default described in Section 8.1(d) or (e), each of which shall automatically result in the termination of the Commitments and the acceleration of the Obligations as set forth in Section 9.1).

3.4 **Effect of Maturity**. On the Maturity Date, all of the Obligations immediately shall become due and payable without notice or demand and Borrower shall be required to repay all of the Obligations (other than contingent obligations in respect of which no claim has been made) in full. No termination of the obligations of the Lender Group (other than payment in full of the Obligations and termination of the Commitments set forth in Schedule C-1) shall relieve or discharge any Loan Party of its duties, obligations, or covenants hereunder or under any other Loan Document and Agent's Liens in the Collateral shall continue to secure the Obligations and shall remain in effect until all Obligations (other than contingent obligations in respect of which no claim has been made) have been paid in full. When all of the Obligations (other than contingent obligations in respect of which no claim has been made) have been paid in full, Agents will, at Borrower's sole expense, execute and deliver any termination statements (or, alternatively, upon Borrower's request, at Borrower's sole expense, authorize the Loan Parties to file termination statements), lien releases, discharges of security interests, and other similar discharge or release documents (including, but not limited to, any satisfactions of Mortgages) (and, if applicable, in recordable form) as are reasonably necessary or requested by Borrower to release, as of record, Agent's Liens and all notices of security interests and liens previously filed by Agents with respect to the Obligations.

3.5 **Early Termination by Borrower**. Borrower has the option, at any time and upon five (5) Business Days prior written notice to Agents and the Lenders, to terminate this Agreement and terminate the Commitments hereunder by paying to the Lenders, all of the Obligations, in full. If Borrower has sent a notice of termination pursuant to the provisions of this Section 3.5, then the Commitments shall terminate and Borrower shall be obligated to repay the Obligations (other than contingent obligations in respect of which no claim has been made) in full on the date set forth as the date of termination of this Agreement in such notice. The foregoing notwithstanding, (a) Borrower may rescind termination notices relative to proposed payments in full of the Obligations with the proceeds of third party Indebtedness or other transactions if the closing for such issuance, incurrence or other transaction does not happen on or before the date of the proposed termination (in which case, a new notice shall be required to be sent in connection with any subsequent termination), and (b) Borrower may extend the date of such termination at any time with the consent of Agents (which consent shall not be unreasonably withheld or delayed).

3.6 **Conditions Subsequent**. The obligation of the Lender Group (or any member thereof) to continue to extend the Loans (or otherwise make extensions of credit hereunder) is subject to the fulfillment, on or before the date applicable thereto (as such date may be extended in Agents' sole discretion), of each of the conditions subsequent set forth on Schedule 3.6.

Notwithstanding anything to the contrary set forth herein, the failure by Borrower to so perform or cause to be performed the conditions subsequent in Schedule 3.6 as and when required by the terms thereof (unless such date is extended in writing by the Required Lenders), shall constitute an immediate Event of Default.

4. REPRESENTATIONS AND WARRANTIES.

In order to induce the Lender Group to enter into this Agreement, each Loan Party makes the following representations and warranties to the Lender Group; *provided, however*, to the extent applicable, such representations and warranties assume the consummation of all of the transactions set forth on Schedule 3.6:

4.1 **Title to Assets; No Encumbrances**.

Each of the Loan Parties has (a) valid leasehold interests in (in the case of leasehold interests in real or personal property), and (b) good and marketable title to (in the case of all other real or personal property), all of their respective assets reflected in their most recent financial statements delivered pursuant to Section 5.1, in each case except for assets disposed of since the date of such financial statements to the extent permitted hereby. All of such assets are free and clear of Liens except for Permitted Liens.

4.2 **Investment Debt Documents**.

The Loan Parties have furnished to Agents true, correct and complete executed copies of the Investment Debt Documents. The Investment Debt Documents reflect the entire understanding of the parties with respect to the transactions contemplated hereby and all agreements, arrangements or understandings with respect to the Investment Debt or Investment Debt Documents (whether oral or written) have been disclosed to Agents in writing.

4.3 **[Reserved]**.

4.4 **Due Organization and Qualification; Subsidiaries**.

(a) Parent and each Loan Party (i) is duly formed or organized, validly existing and in good standing under the laws of the jurisdiction of its formation or organization, as applicable, (ii) subject to Schedule 3.6, is qualified to do business in any state where the failure to be so qualified would reasonably be expected to result in a Material Adverse Effect, and (iii) has all requisite power and authority to own and operate its properties, to carry on its business as now conducted and as proposed to be conducted, to enter into the Loan Documents to which it is a party and to carry out the transactions contemplated thereby.

(b) Set forth on Schedule 4.4(b) (as such Schedule may be updated from time to time to reflect changes resulting from transactions permitted under this Agreement), is a complete and accurate description of the authorized Stock of each Loan Party and each Subsidiary of each Loan Party, by class, and, as of the Closing Date, a description of the number of shares of each such class that are issued and outstanding. Other than as described on Schedule 4.4(b), there are no subscriptions, options, warrants, or calls relating to any shares of any Loan Party's Stock, including any right of conversion or exchange under any outstanding security or other instrument. No Loan Party is subject to any obligation (contingent or otherwise) to repurchase or otherwise acquire or retire any shares of its Stock or any security convertible into or exchangeable for any of its Stock. All of the outstanding Stock of each Loan Party (i) has been validly issued, is fully paid and non-assessable, to the extent applicable, (ii) was issued in compliance with all Applicable Law, and (iii) are free and clear of all Liens other than Permitted Liens.

(c) Set forth on Schedule 4.4(c) is a complete and accurate list of (i) the jurisdiction of organization of Parent and each Loan Party, (ii) the chief executive office of Parent and each Loan Party, and (iii) the organizational identification number of Parent and each Loan Party (if any).

4.5 **Due Authorization; No Conflict**.

(a) The execution, delivery, and performance by Parent and each Loan Party of the Loan Documents to which such Person is a party have been duly authorized by all necessary action on the part of such Person.

(b) The execution, delivery, and performance by Parent or such Loan Party of the Loan Documents to which it is a party do not and will not (i) violate any material Applicable Law, the Governing Documents of such Person, or any order, judgment, or decree of any court or other Governmental Authority binding on such Person, (ii) conflict with, result in a breach of, or constitute (with due notice or lapse of time or both) a default under any Material Contract of such Person, except to the extent that the proceeds of this Agreement shall be used to satisfy in full or otherwise cancel such Material Contract, (iii) result in or require the creation or imposition of any Lien of any nature whatsoever upon any assets of such Person, other than Permitted Liens, or (iv) require any approval of any holder of Stock of such Person or any approval or consent of any Person under any Material Contract of such Person, except to the extent that (x) such consents or approvals have been obtained and are still in force and effect or (y) with respect to Material Contracts, such consents or approvals have not been obtained, but the proceeds of this Agreement shall be used to satisfy or otherwise cancel such Material Contracts, thereby rendering such approvals or consents unnecessary.

(c) The execution, delivery, and performance by Parent and each Loan Party of the Loan Documents to which such Person is a party and the consummation of the transactions contemplated by the Loan Documents do not and will not require any registration with, consent, or registrations, consents, approvals, notices, or other action with or by, any Governmental Authority, other than Permits, notices, or other actions that (i) have been obtained and that are still in force and effect, or (ii) the failure to obtain which would not reasonably be expected to become a Material Adverse Effect.

(d) Each Loan Document has been duly executed and delivered by Parent and each Loan Party that is a party thereto and is the legally valid and binding obligation of such Person, enforceable against such Person in accordance with its respective terms, except as enforcement may be limited by equitable principles or by bankruptcy, insolvency, reorganization, moratorium, or similar laws relating to or limiting creditors' rights generally.

(e) Agent's Liens are validly created and perfected first priority Liens, subject only to Permitted Liens.

4.6 **Litigation**.

(a) Except as set forth on Schedule 4.6(a), there are no actions, suits, or proceedings pending or, to the knowledge of any Loan Party, threatened in writing against Parent or any Loan Party that either individually or in the aggregate could reasonably be expected to result in a Material Adverse Effect or which in any manner draws into question the validity or enforceability of any of the Loan Documents.

(b) Schedule 4.6(b) sets forth, as of the Closing Date, to the knowledge of any Loan Party, a complete and accurate description, with respect to each of the actions, suits, or proceedings with asserted liabilities in excess of, or that could reasonably be expected to result in liabilities in excess of five hundred thousand Dollars ($500,000) that, as of the Closing Date, is pending or threatened in writing against Parent or any Loan Party, of (i) the parties to such actions, suits, or proceedings, (ii) the nature of the dispute that is the subject of such actions, suits, or proceedings, (iii) the procedural status, as of the Closing Date, with respect to such actions, suits, or proceedings, and (iv) whether any liability of such Person in connection with such actions, suits, or proceedings is covered by insurance. The estimate of costs with respect to such actions, suits, or proceedings set forth on Schedule 4.6(b) represents a reasonable estimate of such costs as of the Closing Date, based on reasonable assumptions made in good faith.

4.7 **Compliance with Laws; Permits; Licenses**.

(a) No Loan Party nor any of its Subsidiaries (i) is in violation of any Applicable Law in any material respect, or (ii) is subject to or in default with respect to any material final judgments, writs, injunctions, decrees, rules or regulations of any court or any federal, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign.

(b) None of the Loan Parties has received any written notice from any Governmental Authority alleging that any of the Loan Parties is not in compliance in any material respect with, or may be subject to material liability under, any Applicable Law.

(c) The Loan Parties have all the material Permits required pursuant to Applicable Laws for the Loan Parties to currently conduct its business, and all such Permits are in full force and effect. There are no such Permits held in the name of any Person (other than the Loan Parties) on behalf of any of the Loan Parties.

(d) The Loan Parties have all Cannabis Licenses required to conduct their business as currently conducted, each of which are set forth on Schedule 4.7(d).

4.8 **Historical Financial Statements; No Material Adverse Effect**. All historical financial information relating to the financial condition of the Parent and its Subsidiaries that have been delivered by or on behalf of Parent to each Agent and each Lender (the "Historical Financial Statements") have been prepared in accordance with GAAP, except as otherwise expressly noted therein, and fairly present, in all material respects, the financial position, on a consolidated basis, of the Persons described in such financial statements as at the respective dates thereof and the results of operations and cash flows, on a consolidated basis, of the entities described therein for each of the periods then ended, subject, in the case of any such unaudited financial statements, to changes resulting from audit and normal year-end adjustments. As of the applicable date of such Historical Financial Statements, none of the Loan Parties has any contingent liability (required to be disclosed by GAAP) or liability for taxes, long term lease or unusual forward or long term commitment that is not, in each case, reflected in the Historical Financial Statements or the notes thereto (to the extent required by GAAP) and which in any such case is material in relation to the business, operations, properties, assets, or financial condition of the Loan Parties or any of its Subsidiaries taken as a whole. Since December 31, 2020, no event, circumstance, or change has occurred that has or could reasonably be expected to result in a Material Adverse Effect.

4.9 **Solvency**.

(a) After giving effect to the Term Loans and the liabilities and obligations of each of the Loan Parties under the Loan Documents, the Loan Parties and its Subsidiaries, on a consolidated basis, are Solvent.

(b) No transfer of property is being made by any Loan Party and no obligation is being incurred by any Loan Party in connection with the transactions contemplated by this Agreement or the other Loan Documents with the intent to hinder, delay, or defraud either present or future creditors of such Loan Party.

4.10 **Employee Benefits**. No Loan Party, its Subsidiaries nor any of their respective ERISA Affiliates has ever contributed to or maintained any Benefit Plan, or is liable for any obligations under any Benefit Plan. No ERISA Event has ever occurred or is reasonably expected to occur.

4.11 **Environmental Condition**. Except as set forth on Schedule 4.11, (a) to the knowledge of each Loan Party, none of the Real Property nor any other Loan Party's or any of its Subsidiaries' properties or assets has ever been used by a Loan Party, its Subsidiaries' or by previous owners or operators in the disposal of, or to produce, store, handle, treat, Release, or transport, any Hazardous Materials, where such disposal, production, storage, handling, treatment, Release or transport was in violation, in any material respect, of any applicable Environmental Law, (b) to the knowledge of Borrower, after due inquiry, there has been no Release of any Hazardous Material, at, to or from any Real Property or any other property owned or leased by any Loan Party or any of its Subsidiaries, (c) no Loan Party nor any of its Subsidiaries has received notice that a Lien arising under any Environmental Law has attached to any revenues or to any Real Property owned or operated by a Loan Party, and (d) no Loan Party nor any of its Subsidiaries nor any of their respective facilities or operations is subject to any Environmental Action or any consent decree or settlement agreement with any Person relating to any Environmental Law or Environmental Liability.

4.12 **Real Property**.

(a) Schedule 4.12(a) sets forth a correct and complete list as of the Closing Date of the location, by state and street address, of all Real Property owned or leased by any Loan Party (including name of record owner), identifying which properties are owned and which are leased, together with the names and addresses of any landlords.

(b) Each Loan Party has title, subject to matters of record disclosed in the title commitments referenced on Schedule 4.12(b), to, or valid leasehold interests in, all Real Property, in each case that is purported to be owned or leased by it, and none of the Real Property is subject to any Lien, except Permitted Liens.

(c) Each Loan Party has paid all such material payments required to be made by it in respect of any Leasehold Property, and, to such Loan Party's knowledge, no landlord Lien has been filed, and to Borrower's knowledge, no claim of delinquency is being asserted, with respect to any such payments, except as are subject to Permitted Protest.

(d) Each Lease relating to the Leasehold Property listed on Schedule 4.12(a) is in full force and effect and is legal, valid, binding and enforceable in accordance with its terms. To each such Loan Party's knowledge, there is not under any such Lease any existing breach, default, event of default or event or condition that, with or without notice or lapse of time or both, could constitute a breach, default or an event of default by any Loan Party or that, in any such case, could reasonably be expected to result in the commencement of proceedings or actions to terminate such Lease.

(e) All Permits or Cannabis Licenses required to have been issued to enable all Real Property of any Loan Party to be lawfully occupied and used for all of the purposes for which they are currently occupied and used have been lawfully issued and are in full force and effect, other than those that, in the aggregate, would not have a Material Adverse Effect.

(f) None of any Loan Party has received any notice, or has any knowledge, of any pending, threatened or contemplated condemnation proceeding affecting any Real Property of such Loan Party or any part thereof, except those that, in the aggregate, would not have a Material Adverse Effect.

(g) No Loan Party owns or holds, or is obligated under or a party to, any lease, option, right of first refusal or other contractual right to purchase, acquire, sell, assign, dispose of or lease any Collateral Properties of such Loan Party except as set forth on Schedule 4.12(g).

4.13 **Broker Fees**. Except as set forth on Schedule 4.13, no broker's or finder's fee or commission will be payable with respect hereto or any of the transactions contemplated hereby. Borrower shall be solely responsible for the payment of any and all broker's or finder's fees and commissions payable now and in the future in connection with this Agreement or any of the transactions contemplated hereby and shall indemnify upon demand the Lender Group and its directors, officers, employees and agents against any claim arising therefrom or in connection therewith.

4.14 **Complete Disclosure**. All factual information taken as a whole (other than forward-looking statements and projections and information of a general economic nature and general information about the Loan Parties' industry) furnished by or on behalf of Parent or a Loan Party to any Agent or any Lender (including all information contained in the Schedules hereto or in the other Loan Documents) for purposes of or in connection with this Agreement or the other Loan Documents is, and all other such factual information taken as a whole (other than forward-looking statements and projections and information of a general economic nature and general information about the Loan Parties' industry) hereafter furnished by or on behalf of Parent or a Loan Party to any Agent or any Lender, will be, true and accurate, in all material respects, on the date as of which such information is dated or certified and not incomplete by omitting to state any fact necessary to make such information (taken as a whole), not misleading in any material respect at such time in light of the circumstances under which such information was provided. The Projections delivered to Agents and the Lenders immediately prior to the Closing Date represent, and as of the date on which any other Projections are delivered to any Agent or any Lender, such additional Projections represent, the good faith estimate of management of the Parent and the Loan Parties, on the date such Projections were delivered, of Parent's and the Loan Parties' future performance for the periods covered thereby based upon assumptions believed by the management of Parent and the Loan Parties to be reasonable at the time of the delivery thereof to Agents and the Lenders (it being recognized by Agents and the Lenders that such projected financial information is not to be viewed as fact and is subject to significant uncertainties and contingencies many of which are beyond Parent's and the Loan Parties' control, that no assurance can be given that any particular financial projections will be realized, and that actual results may vary materially from such projected financial information).

4.15 **Indebtedness**. Set forth on Schedule 4.15 is a true and complete list of all Indebtedness of each Loan Party outstanding immediately prior to the Closing Date that is to remain outstanding after the Closing Date and Schedule 4.15 accurately sets forth the aggregate principal amount of such Indebtedness as of the Closing Date.

4.16 **Patriot Act; Foreign Corrupt Practices Act**. Each Loan Party is in compliance, in all material respects, with the (a) Trading with the Enemy Act, as amended, and each of the foreign assets control regulations of the United States Treasury Department (31 CFR, Subtitle B, Chapter V, as amended) and any other enabling legislation or executive order relating thereto, and (b) Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism (USA Patriot Act of 2001) (the "Patriot Act"). No part of the proceeds of the Loans made hereunder will be used by any Loan Party or any of their Affiliates, directly or indirectly, for any payments to any governmental official or employee, political party, official of a political party, candidate for political office, or anyone else acting in an official capacity, in order to obtain, retain or direct business or obtain any improper advantage, in violation of the United States Foreign Corrupt Practices Act of 1977, as amended.

4.17 **Payment of Taxes**. Except as otherwise permitted under Section 5.6 or as otherwise set forth on Schedule 4.17, all material tax returns of each Loan Party required to be filed by any of them have been timely filed, all such tax returns and reports are true, correct and complete in all material respects, and all taxes shown on such tax returns to be due and payable and all assessments, fees and other similar governmental charges imposed by a tax authority upon a Loan Party and upon its assets, income, businesses and franchises that are due and payable have been paid when due and payable, other than taxes that are the subject of a Permitted Protest, and (ii) each Loan Party has made adequate provision in accordance with GAAP for all taxes not yet due and payable. No Loan Party knows of any actual or proposed tax assessment or tax Lien against any Loan Party or any Subsidiary of a Loan Party or any of their respective assets or any Stock in respect of any such Person that is not subject to Permitted Protest.

4.18 **Margin Stock**. No Loan Party is engaged principally, or as one of its important activities, in the business of extending credit for the purpose of purchasing or carrying any Margin Stock. No part of the proceeds of the Loans made to Borrower will be used to purchase or carry any Margin Stock or to extend credit to others for the purpose of purchasing or carrying any Margin Stock or for any purpose that violates the provisions of Regulation T, U or X of the Board of Governors.

4.19 **Governmental Regulation**. No Loan Party is subject to regulation under the Investment Company Act of 1940 or under any other federal or state statute or regulation which may limit its ability to incur Indebtedness or which may otherwise render all or any portion of the Obligations unenforceable. No Loan Party is a "registered investment company" or a company "controlled" by a "registered investment company" or a "principal underwriter" of a "registered investment company" as such terms are defined in the Investment Company Act of 1940.

4.20 **Sanctions**. No Loan Party nor any of its Subsidiaries is in violation of any Sanctions Laws, and Borrower has implemented and maintain in effect and enforces necessary policies and procedures designed to ensure compliance therewith by the Loan Parties, their Subsidiaries and their respective directors, officers and employees. None of the Loan Parties, nor any of its Subsidiaries (a) is a Sanctioned Person or a Sanctioned Entity, (b) has its assets located in Sanctioned Entities, or (c) directly or, to the knowledge of the Loan Parties, indirectly derives revenues from investments in, or transactions with Sanctioned Persons or Sanctioned Entities. No proceeds of any Loan made hereunder will be used to fund any operations in, finance any investments or activities in, or make any payments to, a Sanctioned Person or a Sanctioned Entity.

4.21 **Employee and Labor Matters**. There is (i) no unfair labor practice complaint pending or, to the knowledge of any Loan Party, threatened against any Loan Party before any Governmental Authority and no grievance or arbitration proceeding pending or threatened against any Loan which arises out of or under any collective bargaining agreement and that could reasonably be expected to result in a material liability, (ii) no strike, labor dispute, slowdown, stoppage or similar action or grievance pending or threatened in writing against any Loan Party, or (iii) to Borrower's knowledge, no union representation question existing with respect to the employees of any Loan Party and no union organizing activity taking place with respect to any of the employees of any Loan Party. No Loan Party has incurred any liability or obligation under the Worker Adjustment and Retraining Notification Act or similar state law, which remains unpaid or unsatisfied. The hours worked and payments made to employees of any Loan Party have not been in violation of the Fair Labor Standards Act or any other applicable legal requirements. All material payments due from any Loan Party on account of wages and employee health and welfare insurance and other benefits (except for employee vacation benefits) have been paid or accrued as a liability on the books of Borrower and its Subsidiaries.

4.22 **Material Contracts**. As of the Closing Date, set forth on Schedule 4.22 is a description of the Material Contracts. Each such Material Contract (a) is in full force and effect and is binding upon and enforceable against the applicable Loan Party and, to the knowledge of each Loan Party, each other Person that is a party thereto in accordance with its terms, (b) has not been otherwise amended or modified, and (c) is not in material default due to the action or inaction of the applicable Loan Party. No Loan Party nor any of its Subsidiaries is in default in the performance, observance or fulfillment of any of the obligations, covenants or conditions contained in any of its Material Contracts, and no condition exists which, with the giving of notice or the lapse of time or both, could constitute such a default, except where the consequences, direct or indirect, of such default or defaults, if any, could not reasonably be expected to have a Material Adverse Effect.

4.23 **PEP**. To the knowledge of each Loan Party, no Loan Party nor any of their respective Subsidiaries is acting on behalf of any corporation, business or other entity that has been formed by, or for the benefit of, a current or former senior foreign political figure, serving in the executive, legislative, administrative, military or judicial branches of a foreign government (whether elected or not), a senior official of a major foreign political party, or a senior executive of a foreign government owned corporation, or political figure (collectively, a "PEP").

4.24 **Location of Collateral**. All of the Loan Parties' leased or owned locations which contain Collateral with a value in excess of fifty thousand dollars ($50,000), as of the Closing Date are listed on Schedule 4.24 hereto. As of the Closing Date, the office where each Loan Party keeps its records concerning the Collateral, and each of each Loan Party's principal place of business and chief executive office, are set forth on Schedule 4.24.

4.25 **EEA Financial Institutions**. No Loan Party is an EEA Financial Institution.

4.26 **Intellectual Property**. Each Loan Party owns, is licensed to use or otherwise has the right to use, all Intellectual Property that is material to the condition (financial or other), business or operations of such Loan Party. All Intellectual Property owned by any Loan Party and existing as of the Closing Date which is issued, registered or pending with any United States or foreign Governmental Authority (including, without limitation, any and all applications for the registration of any such Intellectual Property with any such United States or foreign Governmental Authority) and, to Borrower's knowledge, all licenses under which any Loan Party is the exclusive licensee of any such registered Intellectual Property (or any such application for the registration of Intellectual Property) owned by another Person are set forth on Schedule 4.26. Such Schedule 4.26 indicates in each case whether such registered Intellectual Property (or application therefor) is owned or exclusively licensed by such Loan Party. Except as indicated on Schedule 4.26, to the best of each Loan Party's knowledge, the applicable Loan Party is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each such registered Intellectual Property (or application therefor) purported to be owned by such Loan Party, free and clear of any Liens and/or licenses in favor of third parties or agreements or covenants not to sue such third parties for infringement, other than non-exclusive licenses granted in the ordinary course of business. All registered Intellectual Property of each Loan Party is duly and properly registered, filed or issued in the appropriate office and jurisdictions for such registrations, filings or issuances. No Loan Party is party to, nor bound by, any material license agreement with respect to which any Loan Party is the licensee that prohibits or otherwise restricts such Loan Party from granting a security interest in such Loan Party's interest in such license agreement; provided that, for the avoidance of doubt, general non-assignment clauses in such agreements shall not be deemed to constitute such security interest prohibition for purposes of this Section 4.26. To Borrower's knowledge, each Loan Party conducts its business without infringement or claim of material infringement of any material Intellectual Property rights of others and there is no infringement or claim of material infringement by others of any material Intellectual Property rights of any Loan Party.

4.27 **Insurance**. Each Loan Party is insured by insurers of recognized financial responsibility against such losses and risks and in such amounts as are prudent and customary in the businesses in which it is engaged. No Loan Party (a) has received notice from any insurer or agent of such insurer that substantial capital improvements or other material expenditures will have to be made in order to continue such insurance or (b) has any reason to believe that it will not be able to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers.

4.28 **Anti-Money Laundering Laws**.

(a) Neither Borrower nor any Subsidiary are in violation of any Anti-Money Laundering Laws or engage in or conspire to engage in any transaction that evades or avoids, or have the purpose of evading or avoiding, or attempts to violate, any of the prohibitions set forth in any Anti-Money Laundering Laws.

(b) Neither Borrower nor any Subsidiary or their respective agents acting or benefiting in any capacity in connection with the loans or the other transactions hereunder, are any of the following (each a "Blocked Person"):

(i) a Person that is listed in the annex to, or is otherwise subject to the provisions of, Executive Order No. 13224;

(ii) a Person owned or controlled by, or acting for or on behalf of, any Person that is listed in the annex to, or is otherwise subject to the provisions of, Executive Order No. 13224;

(iii) a Person with which any Agent or Lender is prohibited from dealing or otherwise engaging in any transaction by any Anti-Money Laundering Law;

(iv) a Person that commits, threatens or conspires to commit or supports "terrorism" (as defined in Executive Order No. 13224); or

(v) a Person that is named as a "specially designated national" on the most current list published by the U.S. Treasury Department Office of Foreign Assets Control at its official website or any replacement website or other replacement official publication of such list.

(c) No Loan Party or, to the knowledge of any Loan Party, any of its agents acting in any capacity in connection with the Term Loan or the other transactions hereunder (i) conducts any business or engages in making or receiving any contribution of funds, goods or services to or for the benefit of any Blocked Person or (ii) deals in, or otherwise engages in any transaction relating to, any property or interests in property blocked pursuant to Executive Order No. 13224.

4.29 **Representations Not Waived.** The representations and warranties of the Loan Parties contained herein will not be affected or deemed waived by reason of any investigation made by or on behalf of any Lender, any Agent and/or any of their respective representatives or agents or by reason of the fact that any Lender, any Agent and/or any of their respective representatives or agents knew or should have known that any such representation or warranty is or might be inaccurate in any respect; *provided that*, in the event that the Lenders and/or Agents receive written notice of any inaccuracy or breach of any representation, warranty, or covenant of any of the Loan Parties contained in this Agreement ("Specified Breach") on or prior to the date of funding of any Term Loan, and the Required Lenders waive such Specified Breach in writing and the Lenders proceed with funding such Term Loan, then the Lenders and Agents shall have waived and forever renounced any right to assert a claim for any such Specified Breach, or any other claim or cause of action under this Agreement (including, without limitation, declaring such inaccuracy or breach an Event of Default) or the other Loan Documents, whether at law or in equity, on account of any such Specified Breach.

5. AFFIRMATIVE COVENANTS.

Each Loan Party covenants and agrees that, until termination of the Commitments and payment in full of the Obligations (other than contingent obligations in respect of which no claim has been made), each Loan Party shall and shall cause each of its Subsidiaries to do all of the following:

5.1 **Financial Statements, Reports, Certificates**. (a) Deliver to Agents and each Lender, each of the financial statements, reports, and other items set forth on Schedule 5.1 no later than the times specified therein and in connection with the delivery of an audit, should such audit be qualified by the independent certified public accountant ("Auditor") conducting such audit, Borrower shall permit Agents, each Lender and their duly authorized representatives or agents to discuss such qualified audit with the Auditor during regular business hours, at reasonable intervals and with a representative of Borrower present (except upon the occurrence and continuation of an Event of Default, in which case Borrower shall permit Agents, each Lender and their duly authorized representative or agents to discuss such audit regardless of whether such audit is qualified), (b) agree that no Loan Party will have a fiscal year different from that of Borrower, (c) agree to maintain a system of accounting that enables the Loan Parties to produce financial statements in accordance with GAAP, and (d) agree that it will, and will cause each other Loan Party to, maintain its billing systems and practices substantially as in effect as of the Closing Date.

5.2 **Collateral Reporting**. Provide Agents and each Lender with each of the reports set forth on Schedule 5.2 at the times specified therein.

5.3 **Existence**. Subject to Schedule 3.6, at all times preserve and keep in full force and effect such Person's (i) valid existence and good standing in its jurisdiction of formation or organization and (ii) good standing with respect to all other jurisdictions in which it is qualified to do business and any Permits or Cannabis Licenses material to its businesses.

5.4 **Inspection; Appraisals**. Permit Agents, each Lender and their duly authorized representatives or agents to (a) visit any of its properties and inspect any of its assets or books and records, to examine and make copies of its books and records, and to discuss its affairs, finances, and accounts with, and to be advised as to the same by, its officers and employees and (b) cause the Real Property to be appraised by an appraiser selected by Agents (*provided that* (i) an authorized representative of the Loan Parties shall be given an opportunity to be present and (ii) so long as no Event of Default shall have occurred during a calendar year, Agents and the Lenders shall not conduct more than one (1) inspection per calendar year) at such reasonable times and intervals as Agents may designate and, so long as no Event of Default exists, with reasonable prior notice to Borrower and during regular business hours. Each Loan Party will, and will cause each of its Subsidiaries to, permit Agents and each of its duly authorized representatives or agents to conduct appraisals and valuations at such reasonable times and intervals as Agents may designate. All such inspections and appraisals shall be at Borrower's expense.

5.5 **Maintenance of Properties**. Maintain and preserve all of its assets and properties which are necessary or useful in the proper conduct of its business in good working order and condition, ordinary wear, tear, casualty and Permitted Dispositions excepted, and defend its title and Agent's Lien therein against all Persons claims and demands, except Permitted Liens.

(a) Maintain, or obtain contractual commitments from relevant landlords to maintain, all rights of way, easements, grants, privileges, licenses, certificates, and permits necessary for the use of any Real Property (as used in the business of the Loan Parties), except to the extent a failure to do so would not reasonably be expected to cause a Material Adverse Effect.

(b) Comply in all respects with the terms of each Lease and other material agreement relating to the Leasehold Properties so as not to permit any tenant default to exist thereunder beyond any applicable notice and cure periods (other than any matters being contested in good faith by appropriate proceedings), except to the extent a failure to do so would not reasonably be expected to cause a Material Adverse Effect.

5.6 **Taxes**. Cause all Taxes, whether real, personal, or otherwise, due or payable by, or imposed, levied, or assessed against the Loan Parties, their Subsidiaries or any of their respective assets to be paid in full when due in accordance with Applicable Law, except to the extent that the validity of such Tax shall be the subject of a Permitted Protest.

5.7 **Insurance**

(a) Subject to Schedule 3.6, will, and will cause each of its Subsidiaries to, at Borrower's expense, maintain insurance respecting each of the Loan Parties' and their respective Subsidiaries' assets wherever located, in each case as are customarily insured against by other Persons engaged in same or similar businesses and similarly situated and located, including, but not limited to (i) commercial general liability insurance (as evidenced by Acord 25), including products/completed operations, motor vehicle liability, excess liability limits, workers compensation, products liability, broad form property damage, and broad form blanket contractual, advertising, and personal injury liability, (ii) business interruption insurance and/or loss of income reasonably satisfactory to Agents, (iii) casualty insurance, such public liability insurance, and third party property damage insurance with respect to liabilities, (iv) losses or damage in respect to assets (as evidenced by Acord 27), including, but not limited to, building, property, tenant improvements and betterments, equipment, equipment breakdown, indoor crop, marijuana inventory and stock, business personal property, (v) to the extent required by any vendor or customer of any Loan Party, cyber risk insurance, and (vi) with respect to any Real Property that has a status of being in a high flood zone or higher risk zone, the Loan Parties will maintain insurance coverage for flood, earthquake, and named storm and wind (provided that Agents waive the requirements under the foregoing clause (iv) as of the Closing Date; provided that this shall not preclude Agents requiring such insurance be put in place if such status changes at any point during this Agreement).

(b) (i) Within ten (10) days of executing any agreement with any contractor or subcontractor for any improvements on the Collateral Properties and, in any event, prior to beginning any such construction, cause the contractors and subcontractors performing work on such improvements to maintain property (including "Builder's Risk" coverage), general liability, worker's compensation, automotive liability insurance policies, and professional liability or errors and omissions insurance, in types and amounts, typically held by contractors and subcontractors constructing and installing improvements similar in character to such improvements and (ii) without limiting the foregoing, require any general contractor to satisfy the additional insurance provisions set forth on Schedule 5.7.

(c) Cause all such policies of insurance to be with financially sound and reputable insurance companies reasonably acceptable to Agents and in such amounts as is carried generally in accordance with sound business practice by companies in similar businesses similarly situated and located and, in any event, in amount, adequacy, and scope reasonably satisfactory to Agents. For the avoidance of doubt, financially sound and reputable insurance companies shall mean all insurance carriers must: (i) be licensed in the Core States, and (ii) be rated at least A-VIII in A.M Best's rating guide, or A- by S&P or A3 by Moody's.

(d) Cause all property insurance policies covering the Collateral are to be made payable to Agents for the benefit of the Lender, as their interests may appear, in case of loss, pursuant to a lender loss payable endorsement with a standard noncontributory "lender" or "secured party" clause to the extent not otherwise payable to the Lender Group pursuant to the terms of such insurance policy and are to contain such other provisions as Agents may reasonably require to fully protect the Lender's interest in the Collateral and to any payments to be made under such policies. Subject to Schedule 3.6, all certificates of property and general liability insurance are to be delivered to Agents, with the lender loss payable (but only in respect of Collateral) and additional insured endorsements in favor of Administrative Agent and shall provide for (unless agreed to by Agents) not less than thirty (30) days (ten (10) days in the case of non-payment) prior written notice to the Lender Group of the exercise of any right of cancellation. Once per calendar year, Agents shall have the right to request and the Loan Parties shall promptly deliver the current insurance policies of the Loan Parties for Agents' review of such policies for compliance with this Section 5.7.

(e) Allow Agents to arrange for such insurance, if Borrower or any Subsidiary thereof fails to maintain such insurance, but at Borrower's expense and without any responsibility on any Agent's and any Lender's part for obtaining the insurance, the solvency of the insurance companies, the adequacy of the coverage, or the collection of claims.

(f) Give each Agent and each Lender prompt notice of any loss exceeding **[***]** covered by any Loan Party's or its Subsidiaries' casualty or business interruption insurance. So long as no Event of Default has occurred and is continuing, the Loan Parties shall have the exclusive right to adjust, if available, any losses payable under any such insurance policies. Upon the occurrence and during the continuance of an Event of Default, Agents shall have the sole right to file claims under any property and general liability insurance policies in respect of the Collateral, 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.

5.8 **Compliance with Laws**. Comply with the requirements of all Applicable Laws, Permits, Cannabis Licenses, and orders of any Governmental Authority (including but not limited to, laws, rules, or regulations as they relate to cannabis) in all material respects.

5.9 **Environmental**. Except where the failure to do so would not reasonably be expected to result in a Material Adverse Effect:

(a) Keep any property either owned or operated by any Loan Party or any Subsidiary free of any Environmental Liens or post bonds or other financial assurances sufficient to satisfy the obligations or liability evidenced by such Environmental Liens,

(b) Comply, in all material respects, with Environmental Laws and provide to Agents and each Lender documentation of such compliance which any Agent or any Lender reasonably requests,

(c) Promptly notify each Agent and each Lender of any Release of which Borrower has knowledge of a Hazardous Material in any reportable quantity at, from or onto the Real Property or any other property owned or operated by any Loan Party or its Subsidiaries including any Release identified in the course of any Phase II investigation conducted on behalf of Borrower and take any Remedial Actions required to abate said Release or otherwise to come into compliance, in all material respects, with applicable Environmental Law, including any actions required to receive a "No Further Action" letter or similar confirmation from the relevant Governmental Authority evidencing completion of the remediation and compliance with Environmental Law, and provide each Agent and each Lender with a copy of such No Further Action Letter or similar confirmation, and

(d) Promptly, but in any event within five (5) Business Days of its receipt thereof, provide Agents with written notice of any of the following: (i) notice that an Environmental Lien has been filed against any of the real or personal property of any Loan Party or its Subsidiaries, (ii) commencement of any Environmental Action or written notice that an Environmental Action will be filed against any Loan Party or its Subsidiaries, and (iii) written notice of a violation, citation, or other administrative order from a Governmental Authority.

5.10 **Disclosure Updates**. Promptly upon obtaining knowledge thereof, notify Agents and each Lender if any written information, exhibit, or report furnished to the Lender Group contained, at the time it was furnished, any untrue statement of material fact or omitted to state any material fact necessary to make the statements contained therein not misleading in light of the circumstances in which made. The foregoing to the contrary notwithstanding, any notification pursuant to the foregoing provision will not cure or remedy the effect of the prior untrue statement of a material fact or omission of any material fact nor shall any such notification have the effect of amending or modifying this Agreement or any of the Schedules thereto.

5.11 **Non-Loan Party Subsidiaries; Formation or Acquisition of Subsidiaries**.

(a) For any wholly-owned or majority-owned Subsidiaries of any Loan Party that is not a Loan Party on the date hereof, promptly upon obtaining any approvals as may be necessary under applicable Cannabis Laws (or immediately if no such approval is required), the Loan Parties shall cause such wholly-owned or majority-owned Subsidiary (except with the written consent of the Required Lenders and except for those Subsidiaries listed in Section 6.20) to (i) execute and deliver to Agents a joinder to the Credit Agreement or Subsidiary Guaranty, as applicable, in form and substance reasonably satisfactory to Agents, (ii) execute and deliver to Agents a joinder to the Security Agreement in the form contemplated thereby, together with such other security documents, as well as appropriate financing statements (and, subject to Section 5.12, with respect to all owned Real Property subject to a Mortgage, fixture filings), all in form and substance reasonably satisfactory to Agents (including being sufficient to grant Administrative Agent a first priority Lien (subject to Permitted Priority Liens) in and to the applicable assets of such newly formed or acquired direct wholly-owned or majority-owned Subsidiary (except with the written consent of the Required Lenders)) which Lien is granted by such wholly-owned or majority-owned Subsidiary (except with the written consent of the Required Lenders) in favor of Administrative Agent, on behalf of the Lender Group, under any of the Loan Documents (excluding all Excluded Assets, as defined in the Security Agreement), (iii) provide, or cause the applicable Loan Party to provide, to Agents a pledge agreement (or addendum to the Security Agreement) and appropriate certificates and powers or financing statements, as applicable pledging all of the direct or beneficial ownership interest in such wholly-owned or majority-owned Subsidiary (except with the written consent of the Required Lenders), each in form and substance reasonably satisfactory to Agents, (iv) provide, or cause the applicable Loan Party to provide, to Agents a joinder to the Intercompany Subordination Agreement in the form contemplated thereby, and (iv) provide to Agents all other customary documentation, including, to the extent reasonably requested by Agents, one or more opinions of counsel (to the extent requested by Agents) reasonably satisfactory to Agents which in its reasonable opinion is appropriate with respect to the execution and delivery of the applicable documentation referred to above.

(b) Upon the acquisition by any Loan Party of any direct wholly-owned or majority-owned Subsidiary (except with the written consent of the Required Lenders) after the Closing Date, within thirty (30) days of such formation or acquisition (or such later date as permitted by Agents in its sole discretion), the Loan Parties shall cause such new direct wholly-owned or majority-owned Subsidiary (except with the written consent of the Required Lenders) to (i) execute and deliver to Agents a joinder to the Credit Agreement or Subsidiary Guaranty, as applicable, in form and substance reasonably satisfactory to Agents, (ii) execute and deliver to Agents a joinder to the Security Agreement in the form contemplated thereby, together with such other security documents, as well as appropriate financing statements (and with respect to all owned Real Property subject to a Mortgage, fixture filings), all in form and substance reasonably satisfactory to Agents (including being sufficient to grant Administrative Agent a first priority Lien (subject to Permitted Priority Liens) in and to the applicable assets of such newly formed or acquired direct wholly-owned or majority-owned Subsidiary (except with the written consent of the Required Lenders)) which Lien is granted by such new direct wholly-owned or majority-owned Subsidiary (except with the written consent of the Required Lenders) in favor of Administrative Agent, on behalf of the Lender Group, under any of the Loan Documents (excluding all Excluded Assets, as defined in the Security Agreement), (iii) provide, or cause the applicable Loan Party to provide, to Agents a pledge agreement (or addendum to the Security Agreement) and appropriate certificates and powers or financing statements, as applicable pledging all of the direct or beneficial ownership interest in such new direct wholly-owned or majority-owned Subsidiary (except with the written consent of the Required Lenders), each in form and substance reasonably satisfactory to Agents, (iv) deliver to Agents the organizational documents of such new direct wholly-owned or majority-owned Subsidiary and an updated organizational chart, (iv) provide, or cause the applicable Loan Party to provide, to Agents a joinder to the Intercompany Subordination Agreement in the form contemplated thereby and (v) provide to Agents all other customary documentation, including, to the extent reasonably requested by Agents, one or more opinions of counsel (to the extent requested by Agents) reasonably satisfactory to Agents which in its reasonable opinion is appropriate with respect to the execution and delivery of the applicable documentation referred to above.

(c) Universal Hemp, LLC, Universal Hemp II, LLC and Universal Hemp Canada ULC shall be excluded from the requirements of this Section 5.11.

(d) Any document, agreement, or instrument executed or issued pursuant to this Section 5.11, Section 5.12 or Section 5.13 shall constitute a Loan Document.

5.12 **Real Property**.

With respect to any Real Property acquired after the Closing Date (other than with respect to any Real Property in the jurisdiction of California) in each case, in the aggregate with a fair market value in excess of fifty thousand dollars ($50,000), the applicable Loan Party owning any such Real Property shall, within thirty (30) days of such acquisition, take such actions and execute and deliver, or cause to be executed and delivered, all such Mortgages, instruments, agreements, opinions, certificates and all other Mortgage Supporting Documents with respect to such owned Real Property as reasonably requested by Agents to create in favor of Administrative Agent, a valid and perfected first priority security interest in such owned Real Property or to otherwise grant Agents rights with respect thereto consistent with the rights granted to Agents with respect to other owned Real Property subject to a Mortgage pursuant to the Loan Documents and (b) any leased Real Property, including any Lease entered into by any Loan Party after the Closing Date, the applicable Loan Party shall, within thirty (30) days of entering into such Lease, deliver a copy of any Lease and execute and deliver, or cause to be executed and delivered, a Collateral Assignment and such other agreements with respect to such Lease, and take such actions (including obtaining any landlord consents) as reasonably requested by Agents.

5.13 **Further Assurances**. At any time upon the reasonable request of Agents, Parent and each Loan Party shall promptly execute or deliver to Agents, any and all financing statements, fixture filings, security agreements, pledges, assignments, endorsements of certificates of title, Mortgages, deeds of trust, opinions of counsel, and all other documents that Agents may reasonably request in form and substance reasonably satisfactory to Agents (collectively, the "Additional Documents"), to create, perfect, and continue perfected Agent's Liens in all of the properties and assets of the Loan Parties in the Core States, to create and perfect Liens in favor of Administrative Agent in the assets of Parent or such Loan Party required to be pledged pursuant to the Loan Documents, and in order to fully consummate all of the transactions contemplated hereby and under the Loan Documents. To the maximum extent permitted by applicable law, Parent and each Loan Party authorizes Agents, after the occurrence and during the continuance of an Event of Default, to execute any such Additional Documents in the Parent's or applicable Loan Party's name and to file such executed Additional Documents in any appropriate filing office. In furtherance of, and not in limitation of, the foregoing, Parent and each Loan Party shall take such actions as Agents may reasonably request from time to time to ensure that the Obligations are guaranteed by Parent and any Subsidiary Guarantors and are secured by substantially all of the assets of Borrower and its Subsidiaries in the Core States, including all of the outstanding capital Stock of Borrower and its Subsidiaries, excluding all Excluded Assets, as defined in the Security Agreement.

5.14 **Lender Meetings**. The Loan Parties shall, within ninety (90) days after the close of each fiscal year of Borrower (or such later date as Agents may agree), at the request of Agents and upon reasonable prior notice, hold a meeting (at a mutually agreeable location and time or, at the option of Agents, by conference call) with the Lenders at which meeting shall be reviewed the financial results of the previous fiscal year and the financial condition of the Loan Parties and the projections presented for the current fiscal year of Borrower.

5.15 **Material Contracts**. Each Loan Party shall and shall cause each of its respective Subsidiaries to, observe and perform all of the covenants, terms, conditions and agreements contained in the Material Contracts to be observed or performed by it thereunder if failure to so is likely to have a Material Adverse Effect. Each Loan Party will, and will cause each other Loan Party to, use commercially reasonable efforts to ensure that any Material Contract entered into after the Closing Date (other than any renewals, amendments or extensions of Material Contracts in existence as of the Closing Date) by any Loan Party (a) permits the grant of a security interest in such agreement (and all rights of such Loan Party thereunder) to such Loan Party's lenders or an agent for the Lenders (and any transferees of the Lenders or such agent, as applicable) and (b) does not contain any term or provision adverse in any material respect to the rights, interests or privileges of Agents or the Lenders. No Loan Party shall release, or shall permit any of its Subsidiaries to release, the liability of any party under any Material Contract if such release is likely to have a Material Adverse Effect.

5.16 **Books and Records**. Each Loan Party shall keep proper books of records and accounts in which full, true and correct entries in conformity with GAAP and all requirements of law, in each case, in all material respects, shall be made of all dealings and transactions in relation to its businesses and activities.

5.17 **Board Observer Rights**. At Borrower's option, each Agent shall have the right to designate (and replace from time to time), and Borrower shall invite, one (1) representative (the "Lender Observer") each to attend all meetings of Parent's Board of Directors (and any committees thereof) in a nonvoting observer capacity and, in this respect, Parent shall give the Lender Observer copies of all notices, minutes, consents and other material that Parent provides to its directors at the same time and in the same manner as provided to such directors. As a condition to becoming the Lender Observer, the Lender Observer shall agree to hold in confidence and trust all information so provided; and provided further, that Parent reserves the right to withhold information and to exclude the Lender Observer from any meeting or portion thereof if the Board of Directors of Parent determines in good faith after due deliberation (and, with respect to attorney-client privilege and conflicts of interest, advice of counsel) that such exclusion is reasonably necessary (i) to preserve the attorney-client privilege or (ii) to avoid a potential conflict of interest. The Lender Observer may participate in discussions of matters brought to the Board of Directors of Parent and, upon reasonable notice and at a scheduled meeting of such Board of Directors or such other time, if any, may address such Board of Directors with respect to the Lender Observer's concerns regarding significant business issues facing Borrower. Borrower shall reimburse the Lender Observer for all reasonable out-of-pocket expenses incurred by the Lender Observer in connection with attendance at each meeting of such Board of Directors and any committee meetings related thereto and any such reimbursement shall be paid to the Lender Observer no later than comparable reimbursement is paid to the members of such Board of Directors. Borrower shall indemnify and hold the Lender Observer harmless from and against any losses, claims, damages, liabilities and expenses to which Lender Observer may become to the same extent and in the same manner to the same extent as if such Lender Observer were a director of Parent.

5.18 **Cooperation with REIT**. Borrower and each of its Subsidiaries shall, to the extent commercially reasonable, cooperate with each Lender with respect to amending, supplementing or otherwise modifying any documents or instruments in connection with any actions or modifications not adverse to Borrower in any material respect necessary or advisable to maintain the status of any Lender in its capacity as a "real estate investment trust" within the meaning of Section 856 of the Internal Revenue Code.

5.19 **Board Meetings**. The Board of Directors of Parent shall conduct a meeting (which may be telephonic, virtual or in-person) with quorum (and, with respect to such meetings of the Board of Directors of Parent, including the Lender Observer) no less than once a quarter.

5.20 **Management Agreement.** Borrower and any applicable Affiliate (that is not otherwise a wholly-owned Subsidiary of Borrower) shall maintain each management agreement, or similar agreement for shared services, in full force and effect and, subject to any applicable regulatory requirements, timely perform all of Borrower's or such applicable Affiliate's obligations thereunder and enforce performance of all obligations of the manager thereunder. The management fee and/or advisory fee payable under any such management agreement shall be reasonably consistent with that which would exist in an arms-length agreement between unrelated parties. Similarly, the expenses and other amounts allocated to Borrower or their Affiliates (that is not otherwise a wholly-owned Subsidiary of Borrower) for shared services under any such management agreement shall also be reasonably consistent with that which would exist in an arms' length agreement between unrelated parties. Borrower shall not, and shall not allow any Affiliate (that is not otherwise a wholly-owned Subsidiary of Borrower) to, enter into any new management agreement or similar agreement for shared services following the Closing Date without Agents' prior written consent (which consent shall not be unreasonably withheld, conditioned or delayed).

5.21 **Regulatory Approvals**.

(a) Parent and Borrower shall use best efforts, and shall fully cooperate with the Lender Group and each applicable Governmental Authority, to obtain any approvals as may be necessary or desirable under applicable Cannabis Laws with respect to registration of this Agreement (and/or the Loans provided hereunder).

(b) Parent and Borrower shall use best efforts, and shall fully cooperate with the Lender Group and each applicable Governmental Authority, to obtain any pre-approvals or approvals as may be necessary or desirable under applicable Cannabis Laws to assign or transfer any Cannabis Licenses held by Borrower upon the occurrence and continuation of an Event of Default and the exercise of remedies in accordance with Section 9.1.

(c) Notwithstanding anything herein to the contrary, Agents and each Lender further acknowledges that they are solely responsible for providing the personal information applicable to Agent and each Lender that is required to be furnished to applicable Governmental Authority in connection with the aforementioned required pre-approvals and approvals and for completing in whole or in part the required registration and/or other applicable forms to be submitted thereto, and the cooperation of Borrower and other Loan Parties shall be dependent on each Agent and each Lender providing such personal information and completing such forms to the extent applicable and in a timely manner. **[***]**.

For the avoidance of doubt, Borrower and each Loan Party's obligations with respect to regulatory pre-approvals and approvals shall be limited to the obligations to provide best efforts as provided for in Sections 5.21(a) and 5.21(b). The failure of any Agent or Lender to receive any such approval (i) shall not result in an Event of Default and (ii) the applicable Collateral shall be released from the lien contemplated hereunder as provided for in Section 5.21(c).

5.22 **Communications with Governmental Authorities**. Promptly, but in no event later than five (5) days after submission to any Governmental Authority, or receipt thereof, Borrower shall furnish to Agents all documents and information furnished to or received from such Governmental Authority in connection with any investigation of any Loan Party or inquiries by such Governmental Authority.

5.23 **Construction Contracts.** Within three (3) Business Days of entering into any contract or series of contracts with respect to any construction or improvements on Collateral Property with a value in excess of **[***]**, provide copies of all such contracts to Agents along with the construction plan, reports and any other documentation reasonably requested in connection with such construction.

6. NEGATIVE COVENANTS.

Each Loan Party covenants and agrees that, until termination of all of the Commitments and payment in full of the Obligations (other than contingent obligations in respect of which no claim has been made), no Loan Party will, and no Loan Party will permit any of its Subsidiaries to do any of the following:

6.1 **Indebtedness.** Create, incur, assume, suffer to exist, guarantee, or otherwise become or remain, directly or indirectly, liable with respect to any Indebtedness, except for Permitted Indebtedness.

6.2 **Liens.** Create, incur, assume, or suffer to exist, directly or indirectly, any Lien on or with respect to any of its assets, of any kind, whether now owned or hereafter acquired, or any income or profits therefrom, except for Permitted Liens.

6.3 **Restrictions on Fundamental Changes**.

(a) Enter into any Acquisition, merger, consolidation, reorganization, or recapitalization, or reclassify its Stock (including pursuant to a "division" under Delaware law), except: (i) for any merger between Loan Parties; (ii) for any merger between a Loan Party and a Subsidiary of such Loan Party that is not a Loan Party; *provided that*, the Loan Party is the surviving entity of any such merger to which is a party; ~~and~~ (iii) any Permitted Acquisition or (iv) in connection with the Permitted Canopy Transaction;

(b) Liquidate, wind up, or dissolve itself (or suffer any liquidation or dissolution) other than a solvent voluntary liquidation, winding-up or dissolution of any Subsidiaries not holding any assets and so long as the proceeds of any such liquidation, winding-up or dissolution are paid to a Loan Party; or

(c) Suspend or cease operating a substantial portion of its or their business.

6.4 **Disposal of Assets**. Other than Permitted Dispositions or transactions permitted by Section 6.3 and Section 6.11, convey, sell, lease, license, assign, transfer, or otherwise dispose of (or enter into an agreement to convey, sell, lease, license, assign, transfer, or otherwise dispose of) any of its or their assets (any such conveyance, sale, lease, license, assignment, transfer or other disposition, a "Disposition").

6.5 **Change Name.** Change Parent's or any Loan Party's name, organizational identification number, state of organization or organizational identity; *provided, however*, that Parent or any Loan Party may change its name, organizational identification number, state of organization or organizational identity upon at least fifteen (15) days' prior written notice to Agents of such change and so long as at the time of such written notification, such Person provides any financing statements necessary to perfect and/or continue perfection of Agent's Liens.

6.6 **Nature of Business.** Make any material change in the nature of its or their business as described in Schedule 6.6 or acquire any properties or assets that are not reasonably related to the conduct of such business activities.

6.7 **Prepayments, Payments and Amendments**.

(a) Optionally prepay, redeem, defease, purchase, or otherwise acquire any Indebtedness of any Loan Party, other than the Obligations in accordance with this Agreement;

(b) make any payment on account of Indebtedness that has been contractually subordinated in right of payment to the Obligations if such payment is not permitted at such time under the subordination terms and conditions;

(c) making any payment of any kind (whether pursuant to any optional or mandatory prepayment, amortization payments or otherwise) on account of the Investment Debt, other than regularly scheduled payments of interest as provided under the Investment Debt Documents as in effect on the date of this Agreement; or

(d) directly or indirectly, amend, modify, alter, or change any of the terms or provisions of:

(i) the Governing Documents of any Loan Party if the effect thereof, either individually or in the aggregate, could reasonably be expected to be adverse to the interests of the Lenders; ~~or~~

(ii) any Material Contract if the effect thereof, either individually or in the aggregate, could reasonably be expected to ~~be adverse in any material respect to the rights, interests or privileges of Agents or the Lenders or Borrower or their ability to enforce the same.~~result in a Material Adverse Effect, or

(iii) any Permitted Canopy Transaction Agreement without the prior written consent of the Required Lenders.

6.8 **Restricted Payments.** Make Restricted Payments other than:

(a) to the extent constituting Permitted Investments;

(b) Permitted Tax Payment;

(c) any earnout obligation or similar deferred or contingent obligation other than reasonable and customary bonuses, commissions, or similar payments to employees of the Loan Parties; and

(d) other Restricted Payments, so long as (i) no Default or Event of Default has occurred and is continuing or would result from the making of such proposed Restricted Payment and (ii) Borrower is in pro forma compliance with the financial covenants set forth in Sections 7 (to the extent applicable), both before and after giving effect to such Restricted Payment.

6.9 **Accounts.** Subject Section 3.6 and excluding any Deposit Account or Securities Account opened or acquired after the Closing Date until thirty (30) days (or such longer period of time as consented to by Agents in its sole discretion) after such opening or acquisition, no Loan Party shall establish or maintain a Deposit Account or Securities Account that is not subject to a Control Agreement in favor of Administrative Agent and no Loan Party will deposit proceeds in a Deposit Account or Securities Account which is not subject to a Control Agreement in favor of Administrative Agent, except accounts used solely for payroll or tax payments and credit card processing or as otherwise agreed in writing by Agents.

6.10 **Accounting Methods.** Modify or change its fiscal year end from December 31 or its method of accounting (other than as may be required to conform to GAAP).

6.11 **Investments.** Except for Permitted Investments, directly or indirectly, make or acquire any Investment.

6.12 **Transactions with Affiliates.** Directly or indirectly, enter into or permit to exist any transaction with any Affiliate of any Loan Party or any of its Subsidiaries (including the payment any of management, advisory, consulting fees or the like), except for:

(a) transactions between a Loan Party, on the one hand, and any Affiliate of such Loan Party, on the other hand, so long as such transactions (i) are upon fair and reasonable terms, (ii) are fully disclosed to Agents if they involve one or more payments by such Loan Party in excess of two hundred and fifty thousand dollars ($250,000) in the aggregate per fiscal year, (iii) are no less favorable to such Loan Party than would be obtained in an arm's length transaction with a non-Affiliate, and (iv) are commercially reasonably necessary or beneficial to running the business;

(b) transactions permitted under Section 6.8;

(c) so long as it has been approved by such Loan Party's Board of Directors (or comparable governing body) in accordance with Applicable Law, (i) the payment of reasonable and customary compensation, severance, or employee benefit arrangements to employees, officers, and outside directors of such Loan Party in the ordinary course of business and consistent with industry practice, and (ii) the payment of reasonable and customary indemnification obligations to employees, officers, and outside directors of such Loan Party in the ordinary course of business and consistent with industry practice; and

(d) transactions exclusively among the Loan Parties.

6.13 **Use of Proceeds.** Use the proceeds of the Term Loans for any purpose other than to (i) to finance working capital for use in the Core States and Capital Expenditures in the ordinary course of business and otherwise permitted under this Agreement, (ii) pay transactional fees, costs, and expenses incurred in connection with this Agreement and the transactions contemplated hereby, (iii) repay the Seaport Facility and Pelorus Note in full.

No proceeds of any loan made hereunder ~~(including with respect to any Incremental Increase)~~ will be used by the Loan Parties or their Subsidiaries or their respective directors, officers and employees to (i) pay off or prepay the obligations under the Investment Debt or (ii) fund any operations in, finance any investments or activities in, or make any payments to, a Sanctioned Person or a Sanctioned Entity.

6.14 **Benefit Plans.** Maintain or contribute to any Benefit Plan or permit any ERISA Affiliate to maintain to contribute to any Benefit Plan.

6.15 **Limitation on Issuance of Stock**. Issue or sell or enter into any agreement or arrangement for the issuance or sale of any of its Stock except for (a) the issuance or sale of any of its Stock to Parent or any other Loan Party, (b) in connection with social equity requirements with respect to any Cannabis Licenses in accordance with the Regulatory Authority ~~and~~ , (c) any other issuance or sale of any of its Stock so long as such issuance or sale is (i) upon fair and reasonable terms and (ii) no less favorable to such Loan Party than would be obtained in an arm's length transaction and (d) in connection with the Permitted Canopy Transaction so long as any such Stock issued by the applicable Loan Party does not constitute Disqualified Stock. For the avoidance of doubt, this Section 6.15 shall not prohibit or restrict Parent from issuing or selling or entering into any agreement or arrangement for the issuance or sale of any of its Stock in any respect.

6.16 **Sale and Leaseback Transactions.** Enter into any arrangement, directly or indirectly, with any Person whereby Borrower or any Subsidiary shall sell or transfer property used or useful in its business, whether now owned or hereafter acquired, and thereafter rent or lease such property or other property that it intends to use for substantially the same purpose or purposes as the property being sold or transferred.

6.17 **[Reserved].**

6.18 **Capital Expenditures.** Permit the aggregate amount of Capital Expenditures incurred in any fiscal year with respect to all Loan Parties on a consolidated basis to exceed **[***]**, except as otherwise approved by the Lender in writing (such approval not to be unreasonably withheld); provided that at least **[***]** of any such Capital Expenditures financed by the Term Loans must be directed to the Collateral located in the Core States.

6.19 **Real Estate Coverage**. On (a) the Closing Date, (b) the ~~Incremental Increase Effective~~ First Amendment Closing Date and (c) the date upon the consummation of any Permitted Disposition located in a Core State, in each case, the greater of (i) cost basis or (ii) appraised value of the Real Property deemed Collateral under the Loan Documents shall at all times ~~(including with respect to the Incremental Increase on a pro forma basis)~~ be equal to or greater than the Outstanding Amount.

6.20 **Restricted Subsidiaries.** Allow Acreage Illinois 2, LLC, Acreage Illinois 4, LLC, Acreage Illinois 5, LLC, Acreage Illinois 6, LLC or Acreage Compassionate Care Holdings OK, LLC to engage in any activities, own any assets or incur any liabilities unless such entity delivers an operating agreement in accordance with Schedule 3.6.

7. FINANCIAL COVENANTS.

The Loan Parties covenant and agree that, until termination of all of the Commitments and payment in full of the Obligations (other than contingent obligations in respect of which no claim has been made), the Loan Parties shall:

7.1 **Maximum Senior Leverage Ratio.** Have a Senior Leverage Ratio, measured on a fiscal quarter-end basis, of not greater than the correlative ratio indicated in the following table:

Applicable Ratio	Fiscal Quarter Ending
[***]	~~March 31, 2022~~
[***]	~~June 30, 2022~~
[***]	From September 30, 2022 until but excluding the date of the fiscal quarter-ended immediately following the date that is fifteen (15) months after October 24, 2022
[***]	~~December 31, 2022 and each~~ Each fiscal quarter following thereafter

7.2 **Maximum Total Leverage Ratio.** Have a Total Leverage Ratio, measured on a fiscal quarter-end basis, of not greater than the correlative ratio indicated in the following table:

Applicable Ratio	Fiscal Quarter Ending
[***]	~~March 31, 2022~~From September 30, 2022 until but excluding the date of the fiscal quarter-ended immediately following the date that is fifteen (15) months after October 24, 2022
[***]	~~June 30, 2022~~
[***]	~~September 30, 2022~~
[***]	~~December 31, 2022~~
[***]	~~March 31, 2023~~
[***]	~~June 30, 2023~~
[***]	~~September 30, 2023 and each~~ Each fiscal quarter following thereafter

7.3 **Minimum Fixed Charge Coverage Ratio**. Have a Fixed Charge Coverage Ratio, measured on a fiscal quarter-end basis of not less than the correlative ratio indicated in the following table:

Applicable Ratio	Fiscal Quarter Ending
[***]	~~March 31, 2022~~
[***]	~~June 30, 2022~~
[***]	From September 30, 2022 until but excluding the date of the fiscal quarter-ended immediately following the date that is fifteen (15) months after October 24, 2022
[***]	~~December 31, 2022~~
[***]	~~March 31, 2023~~
[***]	~~June 30, 2023~~
[***]	~~September 30, 2023~~
[***]	~~December 31, 2023 and each~~ Each fiscal quarter following thereafter

7.4 **Minimum Cash Balance**. Commencing on December 31, 2022, maintain a sum of unrestricted cash and Cash Equivalents measured on a fiscal quarter-end basis of at least $[***].

8. EVENTS OF DEFAULT.

8.1 **Events of Default**.

Any one or more of the following events shall constitute an event of default (each, an "Event of Default") under this Agreement:

(a) **Payments.** If any Loan Party fails to pay when due and payable, or when declared due and payable, all or any portion of the Obligations consisting of principal, interest, other fees, or charges due the Lender Group, reimbursement of Lender Group Expenses, or other amounts constituting Obligations (including any portion thereof that accrues after the commencement of an Insolvency Proceeding, regardless of whether allowed or allowable in whole or in part as a claim in any such Insolvency Proceeding) and such required payment is not made within ~~three (3~~five (5) Business Days of its due date; or

(b) **Covenants.** If any Loan Party or any of its Subsidiaries:

(i) fails to perform or observe any covenant or other agreement contained in any of (i) Sections 3.6 (Conditions Subsequent), 5.1 (Financial Statements, Reports, Certificates), 5.2 (Collateral Reporting), 5.4 (Inspection; Appraisals), 5.7 (Insurance), 5.10 (Disclosure Updates), 5.11 (Formation or Acquisition of Subsidiaries), and 5.14 (Lender Meetings), or (ii) ~~Section 6 or (iii)~~ subject to Section 9.4, Section 7, and, in each case, such failure continues for a period of ten (10) Business Days after the earlier of (A) the date on which such failure shall first become known to any officer of any Loan Party and (B) the date on which notice thereof is given to Borrower by any Agent or any Lender;

(ii) fails to perform or observe any covenant or other agreement contained in any of Section 6, and, such failure continues for a period of fourteen (14) calendar days after the earlier of (A) the date on which such failure shall first become known to any officer of any Loan Party and (B) the date on which notice thereof is given to Borrower by any Agent or any Lender;

(iii) ~~(ii)~~fails to perform or observe any covenant or other agreement contained in any of Sections 5.3 (Existence), 5.5 (Maintenance of Properties), 5.6 (Taxes), 5.8 (Compliance with Laws), 5.9 (Environmental), 5.12 (Additional Real Property), 5.13 (Further Assurances), and 5.15 (Material Contracts) of this Agreement and such failure continues for a period of fifteen (15) Business Days after the earlier of (i) the date on which such failure shall first become known to any officer of any Loan Party and (ii) the date on which notice thereof is given to Borrower by any Agent or any Lender; or

(iv) ~~(iii)~~fails to perform or observe any covenant or other agreement contained in this Agreement, or in any of the other Loan Documents, in each case, other than any such covenant or agreement that is the subject of another provision of this Section 8.1 (in which event such other provision of this Section 8.1 shall govern), and such failure continues for a period of twenty (20) Business Days after the earlier of (i) the date on which such failure shall first become known to any officer of any Loan Party and (ii) the date on which notice thereof is given to Borrower by Agents; or

(c) **Assets.** If any material portion of any Loan Parties' or Parent's assets is attached, seized, subjected to a writ or distress warrant, or is levied upon, or comes into the possession of any third Person and the same is not discharged before the earlier of thirty (30) calendar days the date it first arises or five (5) calendar days prior to the date on which such property or asset is subject to forfeiture by such Loan Party or Parent, as applicable; or

(d) **Voluntary Bankruptcy.** If an Insolvency Proceeding is commenced by a Loan Party or Parent; or

(e) **Involuntary Bankruptcy.** If an Insolvency Proceeding is commenced against a Loan Party or any of its Subsidiaries or Parent and any of the following events occur: (a) such Person consents to the institution of such Insolvency Proceeding against it, (b) the petition commencing the Insolvency Proceeding is not timely controverted, (c) the petition commencing the Insolvency Proceeding is not dismissed within sixty (60) calendar days of the date of the filing thereof, (d) an interim trustee is appointed to take possession of all or any substantial portion of the properties or assets of, or to operate all or any substantial portion of the business of, such Person, or (e) an order for relief shall have been issued or entered therein; or

(f) **Business Affairs**. If Parent or any Loan Party is enjoined, restrained, or in any way prevented by court order from continuing to conduct all or any material part of its business affairs; or

(g) **Judgments.** If one or more judgments, orders, or awards for the payment of money involving an aggregate amount of five hundred thousand dollars ($500,000) or more (exclusive of amounts covered (other than to the extent of customary deductibles) by insurance) is entered or filed against Parent or any Loan Party, or with respect to any of their respective assets, and either (a) there is a period of thirty (30) consecutive days at any time after the entry of any such judgment, order, or award during which (x) the same is not discharged, satisfied, stayed, vacated, or bonded pending appeal, or (y) a stay of enforcement thereof is not in effect, or (b) enforcement proceedings are commenced upon such judgment, order, or award;

(h) **Default Under Other Agreements.** If there is a default in one or more agreements to which a Loan Party or any of its Subsidiaries is a party with one or more third Persons relative to a Loan Party's or any of its Subsidiaries' Indebtedness involving an aggregate amount of **[***]** or more, and such default (i) occurs at the final maturity of the obligations thereunder, or (ii) results in a right by such third Person, irrespective of whether exercised, to accelerate the maturity of such Loan Party's obligations thereunder; or

(i) **Representations, etc.** If any warranty, representation, certificate or statement made herein or in any other Loan Document or delivered in writing to any Agent or any Lender in connection with this Agreement or any other Loan Document proves to be untrue in any material respect (except that such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof) as of the date of issuance or making or deemed making thereof; provided that no Event of Default shall exist if the circumstances causing such warranty, representation or certificate to be untrue are remedied within five (5) Business Days of notice thereof from Agents;

(j) **Guaranty.** If the obligation of Parent under the Parent Guaranty or the obligation of any Subsidiary Guarantor under any Subsidiary Guaranty is limited or terminated by operation of law or by the applicable guarantor; or

(k) **Security Documents.** If (i) the Security Agreement, any Mortgage or any other Loan Document that purports to create a Lien, shall, for any reason, fail or cease to create a valid and perfected, and except to the extent of Permitted Priority Liens, first priority Lien on the Collateral covered thereby, subject to Permitted Priority Liens or (ii) any material portion of the Collateral (not fully covered by insurance as to which the relevant insurance company has not disputed coverage) shall be lost, stolen, materially damaged or destroyed; or

(l) **Loan Documents.** The validity or enforceability of any Loan Document shall at any time for any reason be declared to be null and void, or a proceeding shall be commenced by a Loan Party, or by any Governmental Authority having jurisdiction over a Loan Party or its Subsidiaries, seeking to establish the invalidity or unenforceability thereof, or a Loan Party shall deny that such Loan Party has any liability or obligation purported to be created under any Loan Document; or

(m) **Change of Control.** A Change of Control shall occur, whether directly or indirectly, except in connection with the Permitted Canopy Transaction; or

(n) **Material Adverse Effect.** A Material Adverse Effect shall be reasonably determined to have occurred; or

(o) **ERISA Event.** An ERISA Event occurs with respect to a Pension Plan or Multiemployer Plan that has resulted or could reasonably be expected to result in liability of any Loan Party to a Pension Plan, Multiemployer Plan or PBGC, or that constitutes grounds for appointment of a trustee for or termination by the PBGC of any Pension Plan or Multiemployer Plan; a Loan Party or ERISA Affiliate fails to pay when due any installment payment with respect to its withdrawal liability under Section 4201 of ERISA under a Multiemployer Plan; or any event similar to the foregoing occurs or exists with respect to a Foreign Plan.

9. THE LENDER GROUP'S RIGHTS AND REMEDIES.

9.1 **Rights and Remedies.** Upon the occurrence and during the continuation of an Event of Default and in addition to any other rights or remedies provided for hereunder or under any other Loan Document or by Applicable Law, Agents may, and, at the direction of the Required Lenders, shall, do any one or more of the following:

(a) declare all or any portion of the principal of, and any and all accrued and unpaid interest and fees in respect of, the Loan and all other Obligations, whether evidenced by this Agreement or by any of the other Loan Documents to be immediately due and payable, whereupon the same shall become and be immediately due and payable and Borrower shall be obligated to repay all of such Obligations in full, without presentment, demand, protest, or further notice or other requirements of any kind, all of which are hereby expressly waived by Borrower;

(b) declare the Commitments terminated, whereupon the Commitments shall immediately be terminated;

(c) terminate this Agreement and any of the other Loan Documents as to any future liability or obligation of the Lender Group, but without affecting any of Agent's Liens in the Collateral and without affecting the Obligations; and

(d) exercise all other rights and remedies available to Agents or the Lenders under the Loan Documents, under Applicable Law, or in equity.

The foregoing to the contrary notwithstanding, upon the occurrence of any Event of Default described in Section 8.1(d) or Section 8.1(e), in addition to the remedies set forth above, without any notice to Borrower or any other Person or any act by the Lender Group, the Commitment shall automatically terminate and the Obligations, inclusive of the principal of, and any and all accrued and unpaid interest and fees in respect of the Loans and all other Obligations, whether evidences by this Agreement or by any of the other Loan Documents, shall automatically become and be immediately due and payable and Borrower shall automatically be obligated to repay all of such Obligations in full, without presentment, demand, protest, or notice or other requirement of any kind, all of which are expressly waived by Borrower.

Agents shall not be required to take any action pursuant to this Section 9.1 unless so directed in writing by the Required Lenders and in Agents' good faith determination, taking such enforcement action is permitted under the terms of the Loan Documents and Applicable Law, and taking such enforcement action will not result in any liability of Agents to any Loan Party or any other Person for which Agents have not been indemnified for under the Loan Documents.

9.2 **Remedies Cumulative**. The rights and remedies of the Lender Group under this Agreement, the other Loan Documents, and all other agreements shall be cumulative. The Lender Group shall have all other rights and remedies not inconsistent herewith as provided under the Code, by law, or in equity. No exercise by the Lender Group of one right or remedy shall be deemed an election, and no waiver by the Lender Group of any Event of Default shall be deemed a continuing waiver. No delay by the Lender Group shall constitute a waiver, election, or acquiescence by it.

9.3 **Sale of Licenses**. Upon the occurrence and during the continuation of an Event of Default under Section 8.1(a) and written notice thereof to Borrower, without limiting any other right or remedy of Agents or Lenders hereunder or under any Loan Document, the Lender may require the following pursuant to its written election delivered to Borrower following: (i) Borrower's failure to cure such Event of Default within five (5) days of receipt of such notice (for the first two occurrences of an Event of Default under Section 8.1(a)) and (ii) thereafter, expiration of the grace period set forth in Section 8.1(a) (the "Sale Notice"):

(a) Milestones. By no later than thirty (30) days following the date of the Sale Notice, Borrower shall commence a full process to sell one or more Cannabis Licenses, as determined in Borrower's reasonable discretion (subject to clause (v) below), and related properties (including, without limitation, the Collateral Properties) and operations held by the Loan Parties (the "Sale Assets"). As part of such sale process:

(i) By no later than sixty (60) days following the date of the Sale Notice, Borrower shall provide Agents with proposals from no less than three (3) investment banks or brokers for running the sale process, which investment banks or brokers shall be subject to Agents' approval in its reasonable discretion, and such proposals shall include detailed compensation information for each investment bank or broker;

(ii) By no later than sixty-five (65) days following the date of the Sale Notice, Borrower shall indicate to Agents the investment bank or broker that it seeks to retain, provided that the retention of such investment bank or broker shall be subject to Agents' approval in its reasonable discretion;

(iii) Borrower shall retain such investment bank or broker by no later than seventy (70) days following the date of the Sale Notice and provide a signed copy of the engagement letter between Borrower and the selected investment bank or broker to Agents by no later than eight-five (85) days following the date of the Sale Notice;

(iv) Borrower shall cause the selected investment bank or broker to commence the marketing process by no later than ninety (90) days following the date of the Sale Notice, and shall cooperate with the investment bank or broker to facilitate such marketing process, including by providing (for access by potential bidders) all information reasonably requested by the investment bank or broker;

(v) Borrower shall include in the sale process the Sale Assets expected (based on valuations by the investment bank or broker) to yield proceeds sufficient to repay all Obligations in full in cash (including any premiums, exit fees, penalties and/or default interest). If the sale of all Sale Assets held by the Loan Parties would not be expected to yield sufficient proceeds to repay all Obligations in full in cash (including any premiums, exit fees, penalties and/or default interest), the sale process will be for all Sale Assets held by the Loan Parties.

(vi) Borrower shall request initial letters of interest, along with each such potential buyer's qualifications, by no later than one hundred thirty (130) days following the date of the Sale Notice and signed letters of intent by no later than one hundred fifty (150) days following the date of the Sale Notice;

(vii) Borrower shall have signed purchase agreement(s) for the sales of the Sale Assets by no later than one hundred sixty five (165) days following the date of the Sale Notice; and

(viii) Borrower shall close such sales by no later than two hundred twenty five (225) days following the date of the Sale Notice.

(b) Sale Process. Borrower shall cause the selected investment bank or broker to provide to the Lenders and Agents a detailed weekly report on the sale process including the number and identity of (i) potential bidders contacted, (ii) potential bidders negotiating non-disclosure agreements, (iii) potential bidders with signed non-disclosure agreements and (iv) potential bidders who have accessed the virtual data room, and the number of documents reviewed. Such report shall also include (x) copies of all letters of intent received and (y) copies of all definitive bids received, together with such bidders' financial statements. The selected investment bank or broker and the Lenders and/or their advisors shall also conduct update calls every week. Borrower shall consult with the Lender and/or their advisors regarding all definitive bids received. The terms and conditions of any sale of any Sale Assets must be approved by the Required Lenders.

(c) Attorney-In-Fact. Each Loan Party hereby irrevocably appoint each Agent as its attorney-in-fact, with full authority in the place and stead of such Loan Party and in the name of such Loan Party or otherwise, at such time as an Event of Default has occurred and is continuing, to take any action and to execute any instrument which Agents may reasonably deem necessary to accomplish the purposes of this Section 9.3, including if the applicable Loan Parties have not complied, to ensure such compliance by giving instructions or providing information to the investment bank, broker or other advisors so long as such instructions are commercially reasonable and given in good faith, and by executing and delivering necessary agreements and documents. To the fullest extent permitted by law, each Loan Party hereby ratifies all that such attorney-in-fact shall lawfully do or cause to be done by virtue hereof. This power of attorney is coupled with an interest and shall be irrevocable until this Agreement is terminated.

(d) Specific Performance. The Loan Parties, Agents and the Lenders agree that irreparable damage would occur, and that Agents and the Lenders would not have an adequate remedy at law, in the event that any of the provisions of this Section 9.3 were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that Agents and the Lenders shall be entitled to an injunction or injunctions to prevent breaches or anticipated breaches of this Section 9.3 and to specifically enforce the terms and provisions of this Section 9.3, without proof of actual damages or otherwise, in addition to any other remedy to which Agents and the Lenders are entitled to at law or in equity. Each Loan Party agrees to waive any requirement for the securing or posting of any bond in connection with such remedy. The Loan Parties further agree not to assert that a remedy of specific enforcement is unenforceable, invalid, contrary to law or inequitable for any reason, nor to assert that a remedy of monetary damages would provide an adequate remedy.

9.4 Equity Cure.

(a) In the event the Loan Parties fail to comply with the financial covenants set forth in Section 7, subject to the terms and conditions hereof, Borrower shall have the right (the "Cure Right") until the expiration of the tenth (10th) day subsequent to the date the applicable financial statements are required to be delivered pursuant to Section 5.1 (the "Cure Right Deadline"), to use cash form the proceeds of any issuance of Stock of Parent or otherwise receive, as additional paid in capital or cash contributions from its equity holders, in either case, in an aggregate amount necessary to cure the relevant financial covenant (the "Cure Amount"). Upon the actual receipt by Parent of the cash proceeds thereof and upon written notice to Agents, Parent, on behalf of Borrower, shall immediately transfer such proceeds to a separate segregated account held by Administrative Agent to be used, at Borrower's sole discretion, (i) in an amount equal to the Cure Amount to be held by Administrative Agent in a separate interest reserve ("Interest Reserve") and used in accordance with Section 9.4(c), (ii) in an amount equal to the Cure Amount to apply such proceeds to the Loans in accordance with Section 2.3(h), or (iii) in an amount equal to two times the Cure Amount to reinvest an amount into Borrower's business by applying such proceeds to the cost of any replacement, purchase, or construction with respect to any portion of the Collateral within one hundred eighty (180) days after the initial receipt of such proceeds.

(b) Upon the actual receipt by Borrower of the cash proceeds thereof, the financial covenants shall then be recalculated giving effect to the following pro forma adjustments: (i) Adjusted EBITDA shall be deemed increased by the Cure Amount for the applicable fiscal quarter and, without duplication, for the subsequent three (3) consecutive fiscal quarters, solely for the purpose of measuring the financial covenants and not for any other purpose under this Agreement, by an amount equal to the Cure Amount; (b) any prepayment made pursuant to Section 9.4(a) shall not be given effect for such purpose; and (c) if, after giving effect to the foregoing recalculations, the Loan Parties shall then be in compliance with the requirements of all financial covenants, the Loan Parties shall be deemed to have been in compliance with such financial covenants as of the relevant date of determination with the same effect as though there had been no failure to comply therewith at such date, and the applicable breach or Event of Default of such financial covenants that had occurred shall be deemed not to have occurred for this purpose of the Agreement. In the event that (i) no Event of Default exists other than that arising due to failure of the Loan Parties to comply with the financial covenants set forth in Section 7, and (ii) Borrower shall have delivered to Agent written notice of its intention to exercise the Cure Right (which notice shall be delivered no earlier than fifteen (15) days prior to, and no later than the fifth (5th) day subsequent to, the date the applicable financial statements are required to be delivered pursuant to Section 5.1), which exercise if fully consummated would be sufficient in accordance with the terms hereof to cause the Loan Parties to be in compliance with the financial covenants as of the relevant date of determination, then from and following receipt by Agents of any such notice and until the date that is the earlier of (x) the Cure Right Deadline and (y) the date, if any, on which any Loan Party notifies Agents in writing that such Cure Right shall not be exercised, then Agents shall not exercise any remedies set forth in Section 9.1 hereof during such period; provided that so long as any Event of Default shall be in existence due to failure of the Loan Parties to comply with the financial covenants set forth in Section 7, all rights and remedies available to such parties other than those set forth in Section 9.1 shall be available to such parties. Notwithstanding anything herein to the contrary, in no event shall Borrower be permitted to exercise the Cure Right hereunder (A) more than two (2) times in the aggregate during the term of this Agreement, (B) in two (2) consecutive fiscal quarters or (C) if an Event of Default (other than an Event of Default arising due to a breach of the financial covenants set forth in Section 7) shall have occurred and be continuing.

(c) If Borrower uses the proceeds received under Section 9.4(a) to fund the Interest Reserve, so long as no Default or Event of Default shall have occurred and be continuing, the Interest Reserve shall be disbursed for the payment of interest on the Loan as such interest becomes due and payable in accordance with this Agreement. Upon the occurrence of a Default, Lender shall have no obligation to make any further disbursements from the Interest Reserve and Borrower shall not be entitled to any such disbursements, unless and until such Default is waived by Agents. If the interest payable on the Loans exceeds at any time the Interest Reserve, Borrower shall promptly pay to Agents such amount in excess thereof. Upon the occurrence of a Default, Agents may apply any undisbursed portion of the Interest Reserve against any of the Obligations of Borrower in any manner in Agents' sole discretion.

10. TAXES AND EXPENSES.

Upon the occurrence and during the continuance of an Event of Default, to the extent that any Loan Party fails to pay any monies (whether Taxes, assessments, insurance premiums, or, in the case of leased properties or assets, rents or other amounts payable under such leases) due to third Persons, or fails to make any deposits or furnish any required proof of payment or deposit, all as required under the terms of this Agreement, then, Agents, in their sole discretion and without prior notice to any Loan Party, may do any or all of the following: (a) make payment of the same or any part thereof, or (b) in the case of the failure to comply with Section 5.7 hereof, obtain and maintain insurance policies of the type described in Section 5.7 and take any reasonable action with respect to such policies as Agents deems prudent. Any such amounts paid by Agents shall constitute Lender Group Expenses and any such payments shall not constitute an agreement by the Lender Group to make similar payments in the future or a waiver by the Lender Group of any Event of Default under this Agreement. Agents need not inquire as to, or contest the validity of, any such expense, Tax, or Lien and the receipt of the usual official notice for the payment thereof shall be conclusive evidence that the same was validly due and owing.

11. WAIVERS; INDEMNIFICATION.

11.1 **Demand; Protest; etc.** Parent and each Loan Party waives demand, protest, notice of protest, notice of default, acceleration or intent to accelerate, dishonor, notice of payment and nonpayment, nonpayment at maturity, release, compromise, settlement, extension, or renewal of documents, instruments, chattel paper, and guarantees at any time held by the Lender Group on which Parent or any Loan Party may in any way be liable.

11.2 **The Lender Group's Liability for Collateral.** Parent and each Loan Party hereby agrees that: (a) so long as Agents comply with its obligations, if any, under the Code, the Lender Group shall not in any way or manner be liable or responsible for: (i) the safekeeping of the Collateral, (ii) any loss or damage thereto occurring or arising in any manner or fashion from any cause, (iii) any diminution in the value thereof, or (iv) any act or default of any carrier, warehouseman, bailee, forwarding agency, or other Person, and (b) all risk of loss, damage, or destruction of the Collateral shall be borne by Loan Parties.

11.3 **Indemnification.** Each Loan Party shall pay, indemnify, defend, and hold Agent-Related Persons, the Lender-Related Persons, and each Participant (each, an "Indemnified Person") harmless (to the fullest extent permitted by law) from and against any and all claims, demands, suits, actions, investigations, proceedings, liabilities, fines, costs, penalties, and damages, and all reasonable fees and disbursements of attorneys, experts, brokers or consultants and all other costs and expenses actually incurred in connection therewith or in connection with the enforcement of this indemnification (as and when they are incurred and irrespective of whether suit is brought), at any time asserted against, imposed upon, or incurred by any of them (a) in connection with or as a result of or related to the execution and delivery incurred in advising, structuring, drafting, reviewing, administering, amending, waiving or otherwise modifying the Loan Documents, to the extent covered by the indemnification rights and obligations under this Section 11.3), enforcement, performance, or administration (including any restructuring or workout with respect hereto) of this Agreement, any of the other Loan Documents, or the transactions contemplated hereby or thereby or the monitoring of Parent's and the Loan Parties' and its Subsidiaries' compliance with the terms of the Loan Documents, (b) with respect to any investigation, litigation, or proceeding related to this Agreement, any other Loan Document, or the use of the proceeds of the credit provided hereunder (irrespective of whether any Indemnified Person is a party thereto), or any act, omission, event, or circumstance in any manner related thereto, and (c) in connection with or arising out of any presence or release of Hazardous Materials at, on, under, to or from any assets or properties owned, leased or operated by any Loan Party or any Environmental Actions, Environmental Liabilities and costs or Remedial Actions related in any way to any such assets or properties of any Loan Party or any of its Subsidiaries' (each and all of the foregoing, the "Indemnified Liabilities"). The foregoing to the contrary notwithstanding, no Loan Party shall have any obligation to any Indemnified Person under this Section 11.3 with respect to any Indemnified Liability that (x) a court of competent jurisdiction determines pursuant to a final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such Indemnified Person or (y) results from a claim brought by Borrower against an Indemnified Person for breach of such Indemnified Person's obligations hereunder or under any other Loan Document. This provision shall survive the termination of this Agreement and the repayment of the Obligations. If any Indemnified Person makes any payment to any other Indemnified Person with respect to an Indemnified Liability as to which any Loan Party was required to indemnify the Indemnified Person receiving such payment, the Indemnified Person making such payment is entitled to be indemnified and reimbursed by Loan Parties with respect thereto.

12. NOTICES.

Unless otherwise provided in this Agreement, all notices or demands relating to this Agreement or any other Loan Document shall be in writing and (except for financial statements and other informational documents which may be sent by first-class mail, postage prepaid) shall be personally delivered or sent by registered or certified mail (postage prepaid, return receipt requested), overnight courier, or electronic mail (at such email addresses as a party may designate in accordance herewith). In the case of notices or demands to Borrower, any Agent or any Lender, as the case may be, they shall be sent to the respective address set forth below:

If to Borrower:	450 Lexington Avenue, #3308 New York, NY 10163 Attn: James Doherty Email: **[***]**
with copies to:	Cozen O'Connor One Liberty Place 1650 Market Street, Suite 2800 Philadelphia, PA 19103 Attn: Joseph C. Bedwick, Esq. Email: **[***]**
If to Administrative Agent or any Lender:	525 Okeechobee Blvd Suite ~~1770~~1650 West Palm Beach, FL 33401 Attn: ~~Brandon Hetzel~~Agent Email: **[***]**
with copies to:	O'Melveny & Myers LLP 7 Times Square New York, NY 10036 Attn: Sung Pak Email: **[***]**

If to Co Agent or any Lender: Viridescent Realty Trust, Inc.
10242 Greenhouse Rd.
Bldg. 1201
Cypress, TX 32055
Attn: Steven Miller
Email: **[***]**

Any party hereto may change the address at which they are to receive notices hereunder, by notice in writing in the foregoing manner given to the other party. All notices or demands sent in accordance with this Section 12, shall be deemed received on the earlier of the date of actual receipt or three (3) Business Days after the deposit thereof in the mail; *provided that* (a) notices sent by overnight courier service shall be deemed to have been given the next day and (b) notices by electronic mail shall be deemed received upon the sender's receipt of an acknowledgment from the intended recipient (such as by the "return receipt requested" function, as available, return email or other written acknowledgment).

13. CHOICE OF LAW AND VENUE; JURY TRIAL WAIVER.

(a) THE VALIDITY OF THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS (UNLESS EXPRESSLY PROVIDED TO THE CONTRARY IN ANOTHER LOAN DOCUMENT IN RESPECT OF SUCH OTHER LOAN DOCUMENT), THE CONSTRUCTION, INTERPRETATION, AND ENFORCEMENT HEREOF AND THEREOF, THE RIGHTS OF THE PARTIES HERETO AND THERETO WITH RESPECT TO ALL MATTERS ARISING HEREUNDER OR THEREUNDER OR RELATED HERETO OR THERETO, AND ANY CLAIMS, CONTROVERSIES OR DISPUTES ARISING HEREUNDER OR THEREUNDER OR RELATED HERETO OR THERETO SHALL BE DETERMINED UNDER, GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK NOT INCLUDING CONFLICTS OF LAWS RULES.

(b) TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, PARENT, EACH LOAN PARTY AND EACH MEMBER OF THE LENDER GROUP HEREBY WAIVES THEIR RESPECTIVE RIGHTS, IF ANY, TO A JURY TRIAL OF ANY CLAIM, CONTROVERSY, DISPUTE OR CAUSE OF ACTION DIRECTLY OR INDIRECTLY BASED UPON OR ARISING OUT OF ANY OF THE LOAN DOCUMENTS OR ANY OF THE TRANSACTIONS CONTEMPLATED THEREIN, INCLUDING CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW OR STATUTORY CLAIMS (EACH A "CLAIM"). PARENT, EACH LOAN PARTY AND EACH MEMBER OF THE LENDER GROUP REPRESENT THAT EACH HAS REVIEWED THIS WAIVER AND EACH KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL. IN THE EVENT OF LITIGATION, A COPY OF THIS AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT.

(c) PARENT AND EACH LOAN PARTY HEREBY IRREVOCABLY AND UNCONDITIONALLY SUBMITS TO THE NON-EXCLUSIVE JURISDICTION OF THE STATE AND FEDERAL COURTS LOCATED IN THE STATE OF NEW YORK, SITTING IN THE COUNTY OF WESTCHESTER OR NEW YORK, AT THE REQUIRED LENDER'S DISCRETION, AND THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO ANY LOAN DOCUMENTS, OR FOR RECOGNITION OR ENFORCEMENT OF ANY JUDGMENT. EACH OF THE PARTIES HERETO AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW. NOTHING IN THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT SHALL AFFECT ANY RIGHT THAT AGENTS MAY OTHERWISE HAVE TO BRING ANY ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT AGAINST PARENT OR ANY LOAN PARTY OR ITS PROPERTIES IN THE COURTS OF ANY JURISDICTION.

(d) TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, PARENT, EACH LOAN PARTY AND EACH MEMBER OF THE LENDER GROUP HEREBY WAIVES ANY SPECIAL, INDIRECT, CONSEQUENTIAL, OR PUNITIVE DAMAGES IN RESPECT OF ANY CLAIM FOR BREACH OF CONTRACT OR ANY OTHER THEORY OF LIABILITY ARISING OUT OF OR RELATED TO THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT, OR ANY ACT, OMISSION, OR EVENT OCCURRING IN CONNECTION THEREWITH, AND PARENT, EACH LOAN PARTY AND EACH MEMBER OF THE LENDER GROUP HEREBY WAIVES, RELEASES, AND AGREES NOT TO SUE UPON ANY CLAIM FOR SUCH DAMAGES, WHETHER OR NOT ACCRUED AND WHETHER OR NOT KNOWN OR SUSPECTED TO EXIST IN ITS FAVOR.

14. ASSIGNMENTS AND PARTICIPATIONS; SUCCESSORS.

14.1 **Assignments and Participations**.

(a) **Assignments**. Any Lender may, with the consent of Agents and Borrower (*provided that*, the consent of Borrower (A) shall not be unreasonably withheld or delayed (*provided, further,* that if such consent is not granted, it shall not be considered unreasonably withheld if the proposed assignment is to a Person who is a direct competitor, or a lender to or an affiliate of a direct competitor, of any Loan Party) and (B) shall not be required if an Event of Default exists or such assignment is to a Permitted Assignee), at any time assign to one or more Persons (other than natural persons) (any such Person, an "Assignee") all or any portion of such Lender's Loan; *provided that*, notwithstanding the foregoing, other than upon the occurrence and during the continuance of an Event of Default, such assignment shall not be permitted if such assignment, when taken together with all previous assignments pursuant to this Section 14.1(a) and all sales of participating interests in the Term Loans pursuant to Section 14.1(b), would result in Agents, as Lenders (when aggregated with any of its direct or indirect Affiliate's interests in the Term Loans) not constituting the Required Lenders hereunder. Except as Agents may otherwise agree, any such assignment shall be in a minimum aggregate amount equal to **[***]** or, if less, the remaining Commitments and Loan held by the assigning Lender. The Loan Parties and Agents shall be entitled to continue to deal solely and directly with such Lender in connection with the interests so assigned to an Assignee until Agents shall have received and accepted an Assignment and Acceptance.

(i) From and after the date on which the conditions described above have been met, and subject to acceptance and recording of the assignment pursuant to Section 14.1(a)(iii), (i) such Assignee shall be deemed automatically to have become a party hereto and, to the extent that rights and obligations hereunder have been assigned to such Assignee pursuant to such Assignment and Acceptance, shall have the rights and obligations of a Lender hereunder and (ii) the assigning Lender, to the extent that rights and obligations hereunder have been assigned by it pursuant to such Assignment and Acceptance, shall be released from its rights (other than its indemnification rights) and obligations hereunder. Upon the request of the Assignee (and, as applicable, the assigning Lender) pursuant to an effective Assignment and Acceptance, Borrower shall execute and deliver to Agents for delivery to the Assignee (and, as applicable, the assigning Lender) a Note or Notes setting forth such Lender's Loan (and, as applicable, a Note or Notes in the principal amount of the Loans retained by the assigning Lender). Each such Note shall be dated the effective date of such assignment. Upon receipt by Agents of such Note(s), the assigning Lender shall return to Borrower any prior Note held by it.

(ii) Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement to secure obligations of such Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank, and this Section shall not apply to any such pledge or assignment of a security interest; *provided that*, no such pledge or assignment of a security interest shall release a Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

(iii) Agents, acting solely for this purpose as an agent of Borrower, shall maintain at one of its offices a copy of each Assignment and Assumption delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Commitments of, and principal amounts of (and stated interest on) the Loans owing to, each Lender pursuant to the terms hereof from time to time (the "Register"). The entries in the Register shall be conclusive absent manifest error, and Borrower, Agents and the Lenders shall treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement. The Register shall be available for inspection by Borrower and the Lenders, at any reasonable time and from time to time upon reasonable prior notice.

(b) Any Lender may, at any time sell to one or more Persons (other than natural persons) participating interests in its Term Loans or other interests hereunder (any such Person, a "Participant"); *provided that*, notwithstanding the foregoing, other than upon the occurrence and during the continuance of an Event of Default, such sale shall not be permitted if such sale, when taken together with all previous sales pursuant to this Section 14.1(b) and all assignments of Term pursuant to Section 14.1(a), would result in Agents, as Lenders (when aggregated with any of its direct or indirect Affiliate's interests in the Term Loans) not constituting the Required Lenders hereunder. In the event of a sale by a Lender of a participating interest to a Participant, (a) such Lender's obligations hereunder shall remain unchanged for all purposes, (b) Borrower and Agents shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations hereunder and (c) all amounts payable by Borrower shall be determined as if such Lender had not sold such participation and shall be paid directly to such Lender. No Participant shall have any direct or indirect voting rights hereunder except with respect to any event described in Section 15.1 expressly requiring the vote of such Lender. Each Lender agrees to incorporate the requirements of the preceding sentence into each participation agreement which such Lender enters into with any Participant. Each Lender shall, acting solely for this purpose as an agent of Borrower, maintain at one of its offices a register for the recordation of the names and addresses of each such Participant, and the Commitments of, and principal amount of and accrued interest on the Loans owing to, such Participant (the "Participant Register"); *provided that*, such Lender shall not have any obligation to disclose all or any portion of the Participant Register (including the identity of any Participant or any information relating to a Participant's interest in any Loan, Commitments or its other obligations under any Loan Document) to any Person except to the extent that disclosure is required to establish that such a participation in a Loan or other obligation is held by a Participant who is a non-resident alien individual (within the meaning of Code Section 871) or a foreign corporation (within the meaning of Code Section 881) is in registered form (as described above). The entries in the Participant Register shall be conclusive absent manifest error, and the Lenders shall have the right to 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.

14.2 **Successors.** This Agreement shall bind and inure to the benefit of the respective successors and assigns of each of the parties; *provided that*, no Loan Party may assign this Agreement or any rights or duties hereunder without the Required Lender's prior written consent and any prohibited assignment shall be absolutely void *ab initio*. No consent to assignment by any Lender shall release any Loan Party from its Obligations.

15. AMENDMENTS; WAIVERS.

15.1 **Amendments and Waivers**.

(a) No amendment, waiver, or other modification of any provision of this Agreement or any other Loan Document, and no consent with respect to any departure by any Loan Party therefrom, shall be effective unless the same shall be in writing and signed by Agents and the Loan Parties that are party thereto and then any such waiver or consent shall be effective, but only in the specific instance and for the specific purpose for which given, *provided, however, that* no such waiver, amendment, or consent shall, unless in writing and signed by all of the Lenders directly affected thereby and all of the Loan Parties that are party thereto do any of the following:

(i) postpone or delay any date fixed by this Agreement or any other Loan Document for any payment of principal, interest, fees, or other amounts due hereunder or under any other Loan Document,

(ii) reduce the principal of, or the rate of interest on, any loan or other extension of credit hereunder, or reduce any fees or other amounts payable hereunder or under any other Loan Document (except (y) in connection with the waiver of applicability of Section 2.5(b) (which waiver shall be effective with the written consent of the Required Lenders) and (z) that any amendment or modification of defined terms used in the financial covenants in this Agreement shall not constitute a reduction in the rate of interest or a reduction of fees for purposes of this clause (ii)),

(iii) change the Pro Rata Share that is required to take any action hereunder,

(iv) amend, modify, or eliminate this Section or any provision of this Agreement providing for consent or other action by all Lenders,

(v) other than as permitted by Section 16.12, release Agent's Lien in and to all or substantially all of the Collateral,

(vi) amend, modify, or eliminate the definitions of "Required Lenders" or "Pro Rata Share",

(vii) contractually subordinate any of Agent's Liens,

(viii) other than in connection with a merger, liquidation, dissolution or sale of such Person expressly permitted by the terms hereof or the other Loan Documents, release any Loan Party from any obligation for the payment of money or consent to the assignment or transfer by any Loan Party of any of its rights or duties under this Agreement or the other Loan Documents,

(ix) amend, modify, or eliminate any of the provisions of Section 2.3(b)(i) or (ii) or Section 2.3(h), or

(x) amend, modify, or eliminate any of the provisions of Section 14.1 with respect to assignments to, or participations with, Persons who are a Loan Party or an Affiliate of a Loan Party.

(b) No amendment, waiver, modification, or consent shall amend, modify, waive, or eliminate, any provision of Section 16 pertaining to Agents, or any other rights or duties of Agents under this Agreement or the other Loan Documents, without the written consent of Agents, Loan Parties, and the Required Lenders.

15.2 **No Waivers; Cumulative Remedies.** No failure by any Agent or any Lender to exercise any right, remedy, or option under this Agreement or any other Loan Document, or delay by any Agent or any Lender in exercising the same, will operate as a waiver thereof. No waiver by any Agent or any Lender will be effective unless it is in writing, and then only to the extent specifically stated. No waiver by any Agent or any Lender on any occasion shall affect or diminish each Agent's and each Lender's rights thereafter to require strict performance by Parent or the Loan Parties of any provision of this Agreement. Each Agent's and each Lender's rights under this Agreement and the other Loan Documents will be cumulative and not exclusive of any other right or remedy that any Agent or any Lender may have.

16. AGENTS; THE LENDER GROUP.

16.1 **Appointment and Authorization of Agents**.

Each Lender hereby designates and appoints AFC AGENT LLC, and VRT AGENT LLC, as its agents under this Agreement and the other Loan Documents and such Lender hereby irrevocably authorizes Agents to execute and deliver each of the other Loan Documents on its behalf, and to take such other action on its behalf under the provisions of this Agreement and each other Loan Document and to exercise such powers and perform such duties as are expressly delegated to Agents by the terms of this Agreement or any other Loan Document, together with such powers as are reasonably incidental thereto. Agents agree to act as agent for and on behalf of each Lender on the conditions contained in this Section 16. The provisions of this Section 16 are solely for the benefit of Agents, and the Lenders, and neither Parent nor any Loan Party shall have any rights as a third party beneficiary of any of the provisions contained herein. Any provision to the contrary contained elsewhere in this Agreement or in any other Loan Document notwithstanding, Agents shall not have any duties or responsibilities, except those expressly set forth herein or in any other Loan Document, nor shall Agents have or be deemed to have any fiduciary relationship with any Lender, and no implied covenants, functions, responsibilities, duties, obligations or liabilities shall be read into this Agreement or any other Loan Document or otherwise exist against Agents. Without limiting the generality of the foregoing, the use of the term "agent" in this Agreement or the other Loan Documents with reference to Agents is not intended to connote any fiduciary or other implied (or express) obligations arising under agency doctrine of any Applicable Law. Instead, such term is used merely as a matter of market custom, and is intended to create or reflect only a representative relationship between independent contracting parties. Each Lender hereby further authorizes Agents to act as the secured party under each of the Loan Documents that create a Lien on any item of Collateral. Except as expressly otherwise provided in this Agreement, Agents shall have and may use its sole discretion with respect to exercising or refraining from exercising any discretionary rights or taking or refraining from taking any actions that Agents expressly are entitled to take or assert under or pursuant to this Agreement and the other Loan Documents. Without limiting the generality of the foregoing, or of any other provision of the Loan Documents that provides rights or powers to Agents, each Lender agrees that Agents shall have the right to exercise the following powers as long as this Agreement remains in effect: (a) maintain, in accordance with its customary business practices, ledgers and records reflecting the status of the Obligations, the Collateral, the payments and proceeds of Collateral, and related matters, (b) execute or file any and all financing or similar statements or notices, amendments, renewals, supplements, documents, instruments, proofs of claim, notices and other written agreements with respect to the Loan Documents, (c) exclusively receive, apply, and distribute the payments and proceeds of Collateral as provided in the Loan Documents, (d) open and maintain such bank accounts and cash management arrangements as Agents deem necessary and appropriate in accordance with the Loan Documents for the foregoing purposes, (e) perform, exercise, and enforce any and all other rights and remedies of the Lender Group with respect to Parent, any Loan Party, the Obligations, the Collateral, or otherwise related to any of same as provided in the Loan Documents, and (f) incur and pay the Lender Group Expenses as Agents may deem necessary or appropriate for the performance and fulfillment of its functions and powers pursuant to the Loan Documents.

16.2 **Delegation of Duties.** Agents may execute any of its duties under this Agreement or any other Loan Document by or through agents, employees or attorneys in fact and shall be entitled to advice of counsel concerning all matters pertaining to such duties. Agents shall not be responsible for the negligence or misconduct of any agent or attorney in fact that it selects as long as such selection was made without gross negligence, bad faith or willful misconduct.

16.3 **Liability of Agents.** None of Agent-Related Persons shall (a) be liable for any action taken or omitted to be taken by any of them under or in connection with this Agreement or any other Loan Document or the transactions contemplated hereby (except for its own gross negligence or willful misconduct as determined by a court of competent jurisdiction pursuant to a final and nonappealable judgment), or (b) be responsible in any manner to any Lender for any recital, statement, representation or warranty made by any Loan Party, or any officer or director thereof, contained in this Agreement or in any other Loan Document, or in any certificate, report, statement or other document referred to or provided for in, or received by Agents under or in connection with, this Agreement or any other Loan Document, or the validity, effectiveness, genuineness, enforceability or sufficiency of this Agreement or any other Loan Document, or for any failure of Parent or any Loan Party or any other party to any Loan Document to perform its obligations hereunder or thereunder (other than such filings and other actions as are necessary to perfect and maintain rights in the Collateral). No Agent-Related Person shall be under any obligation to any Lender to ascertain or to inquire as to the observance or performance of any of the agreements contained in, or conditions of, this Agreement or any other Loan Document, or to inspect the books and records or properties of any Loan Party or any of its Subsidiaries.

16.4 **Reliance by Agents.** Agents shall be entitled to rely, and shall be fully protected in relying, upon any writing, resolution, notice, consent, certificate, affidavit, letter, telegram, facsimile or other electronic method of transmission, telex or telephone message, statement or other document or conversation believed by it to be genuine and correct and to have been signed, sent, or made by the proper Person or Persons, and upon advice and statements of legal counsel (including counsel to any of the Loan Parties or counsel to any Lender), independent accountants and other experts selected by Agents. Agents shall be fully justified in failing or refusing to take any action under this Agreement or any other Loan Document unless Agents shall first receive such advice or concurrence of the Required Lenders (or, to the extent required by Section 15.1(a), all Lenders). If Agents so requests, they shall first be indemnified to its reasonable satisfaction by the Lenders against any and all liability and expense that may be incurred by it by reason of taking or continuing to take any such action. Agents shall in all cases be fully protected in acting, or in refraining from acting, under this Agreement or any other Loan Document in accordance with a request or consent of the Required Lenders and such request and any action taken or failure to act pursuant thereto shall be binding upon the Lenders (except as otherwise required by Section 15.1(a)).

16.5 **Notice of Default or Event of Default.** Agents shall not be deemed to have knowledge or notice of the occurrence of any Default or Event of Default, except with respect to defaults in the payment of principal, interest, fees, and expenses required to be paid to Agents for the account of the Lenders and, except with respect to Events of Default of which Agents have actual knowledge, unless Agents shall have received written notice from a Lender or Borrower referring to this Agreement, describing such Default or Event of Default, and stating that such notice is a "notice of default." Agents promptly will notify such Lender of its receipt of any such notice or of any Event of Default of which Agents have actual knowledge. If a Lender obtains actual knowledge of any Event of Default, such Lender promptly shall notify Agents of such Event of Default. Each Lender shall be solely responsible for giving any notices to its Participants, if any. Subject to Section 16.4, Agents shall take such action with respect to such Default or Event of Default as may be requested by the Required Lenders in accordance with Section 9.1.

16.6 **Credit Decision.** Each Lender acknowledges that none of Agent-Related Persons has made any representation or warranty to it, and that no act by Agents hereinafter taken, including any review of the affairs of any Loan Party or its Affiliates, shall be deemed to constitute any representation or warranty by any Agent-Related Person to such Lender. Each Lender represents to Agents that it has, independently and without reliance upon any Agent-Related Person and based on such due diligence documents and information as it has deemed appropriate, made its own appraisal of, and investigation into, the business, prospects, operations, property, financial and other condition and creditworthiness of each Loan Party or any other Person party to a Loan Document, and all applicable bank regulatory laws relating to the transactions contemplated hereby, and made its own decision to enter into this Agreement and to extend credit to Borrower. Each Lender also represents that it will, independently and without reliance upon any Agent-Related Person and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit analysis, appraisals and decisions in taking or not taking action under this Agreement and the other Loan Documents, and to make such investigations as it deems necessary to inform itself as to the business, prospects, operations, property, financial and other condition and creditworthiness of each Loan Party or any other Person party to a Loan Document. Except for notices, reports, and other documents expressly herein required to be furnished to the Lenders by Agents, Agents shall not have any duty or responsibility to provide the Lenders with any credit or other information concerning the business, prospects, operations, property, financial and other condition or creditworthiness of any Loan Party or any other Person party to a Loan Document that may come into the possession of any of Agent-Related Persons. Each Lender acknowledges that Agents do not have any duty or responsibility, either initially or on a continuing basis (except to the extent, if any, that is expressly specified herein) to provide such Lender with any credit or other information with respect to any Loan Party, its Affiliates or any of their respective business, legal, financial or other affairs, and irrespective of whether such information came into any Agent's or its Affiliates' or representatives' possession before or after the date on which such Lender became a party to this Agreement.

16.7 **Costs and Expenses; Indemnification.** Agents may incur and pay Lender Group Expenses to the extent Agents reasonably deems necessary or appropriate for the performance and fulfillment of its functions, powers, and obligations pursuant to the Loan Documents, including court costs, reasonable attorney's fees and expenses, fees and expenses of financial accountants, advisors, consultants, and appraisers, costs of collection by outside collection agencies, auctioneer fees and expenses, and costs of security guards or insurance premiums paid to maintain the Collateral, whether or not Loan Parties are obligated to reimburse Agents or the Lenders for such expenses pursuant to this Agreement or otherwise. Agents are authorized and directed to deduct and retain sufficient amounts from the payments or proceeds of the Collateral received by Agents to reimburse Agents for such reasonable and documented out-of-pocket costs and expenses prior to the distribution of any amounts to the Lenders. In the event Agents are not reimbursed for such costs and expenses by any Loan Party, each Lender hereby agrees that it is and shall be obligated to pay for its Pro Rata Share of such costs and expenses. Whether or not the transactions contemplated hereby are consummated, each Lender, on a ratable basis, shall indemnify and defend Agent-Related Persons (to the extent not reimbursed by or on behalf of Loan Parties and without limiting the obligation of Loan Parties to do so) from and against any and all Indemnified Liabilities; *provided that*, no Lender shall be liable for the payment to any Agent-Related Person of any portion of such Indemnified Liabilities resulting solely from such Person's gross negligence or willful misconduct as determined by a court of competent jurisdiction pursuant to a final and nonappealable judgment. Without limitation of the foregoing, each Lender shall reimburse Agents upon demand for its Pro Rata Share of Agents' costs or out of pocket expenses (including attorneys, accountants, advisors, and consultants fees and expenses) incurred by Agents in connection with the preparation, execution, delivery, administration, modification, amendment, or enforcement (whether through negotiations, legal proceedings or otherwise) of, or legal advice in respect of rights or responsibilities under, this Agreement, any other Loan Document, to the extent that Agents is not reimbursed for such expenses by or on behalf of Loan Parties. The undertaking in this Section shall survive the payment of all Obligations hereunder and the resignation or replacement of Agents.

16.8 **Agent in Individual Capacity.** AFC Agent LLC, VRT AGENT LLC and their Affiliates may make loans to, issue letters of credit for the account of, accept deposits from, acquire Stock in, and generally engage in any kind of banking, trust, financial advisory, underwriting, or other business with any Loan Party or its Affiliates and any other Person party to any Loan Documents as though AFC Agent LLC or VRT Agent LLC were not Agents hereunder, and, in each case, without notice to or consent of the other members of the Lender Group. The other members of the Lender Group acknowledge that, pursuant to such activities, AFC Agent LLC, VRT Agent LLC or their Affiliates may receive information regarding the any Loan Party or its Affiliates or any other Person party to any Loan Document that is subject to confidentiality obligations in favor of Loan Parties or such other Person and that prohibit the disclosure of such information to the Lenders, and each Lender acknowledge that, in such circumstances (and in the absence of a waiver of such confidentiality obligations, which waiver Agents will use their reasonable best efforts to obtain), Agents shall not be under any obligation to provide such information to them.

16.9 **Successor Agent.** Any Agent may resign as Agent upon thirty (30) days (ten (10) days if an Event of Default has occurred and is continuing) prior written notice to the other Agent, each Lender (unless such notice is waived by such Lender) and Borrower (unless such notice is waived by Borrower). If any Agent resigns under this Agreement, the Required Lenders shall be entitled to appoint a successor Agent for the Lenders. If no successor Agent is appointed prior to the effective date of the resignation of such Agent, the Required Lenders shall act as such Agent until they appoint a successor Agent. If any Agent has materially breached or failed to perform any material provision of this Agreement or of Applicable Law, the Required Lenders may agree in writing to remove and replace such Agent with a successor Agent from among the Lenders; *provided that*, solely for purposes of this fourth sentence of Section 16.9. In any such event, upon the acceptance of its appointment as successor Agent hereunder, such successor Agent shall succeed to all the rights, powers, and duties of the retiring Agent and the term "Agent" shall mean such successor Agent and the retiring Agent's appointment, powers, and duties as such Agent shall be terminated. After any retiring Agent's resignation hereunder as Agent, the provisions of this Section 16 shall inure to its benefit as to any actions taken or omitted to be taken by it while it was Agent under this Agreement. If no successor Agent has accepted appointment as Agent by the date which is thirty (30) days following a retiring Agent's notice of resignation, the retiring Agent's resignation shall nevertheless thereupon become effective and the other Agent shall perform all of the duties of such Agent hereunder until such time, if any, as the Required Lender appoint a successor Agent as provided for above.

16.10 **Lender in Individual Capacity.** Any Lender and its respective Affiliates may make loans to, issue letters of credit for the account of, accept deposits from, acquire Stock in and generally engage in any kind of banking, trust, financial advisory, underwriting, or other business with any Loan Party or its Affiliates and any other Person party to any Loan Documents as though such Lender were not a Lender hereunder without notice to or consent of the other members of the Lender Group. The other members of the Lender Group acknowledge that, pursuant to such activities, a Lender and its respective Affiliates may receive information regarding any Loan Party or its Affiliates and any other Person party to any Loan Documents that is subject to confidentiality obligations in favor of Loan Parties or such other Person and that prohibit the disclosure of such information to such Lender, and such Lender acknowledges that, in such circumstances (and in the absence of a waiver of such confidentiality obligations, which waiver such Lender will use its reasonable best efforts to obtain), such Lender shall not be under any obligation to provide such information to them.

16.11 **Withholding Taxes**.

(a) **Payments Free of Taxes.** Any and all payments by or on account of any obligation of any Loan Party under any Loan Document shall be made without deduction or withholding for any Taxes, except as required by Applicable Law. If any Applicable Law (as determined in the good faith discretion of an applicable withholding agent) requires the deduction or withholding of any Tax from any such payment by a withholding agent, then the applicable withholding agent shall be entitled to make such deduction or withholding and shall timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with Applicable Law and, if such Tax is an Indemnified Tax, then the sum payable by such Loan Party shall be increased as necessary so that after such deduction or withholding has been made (including such deductions and withholdings applicable to additional sums payable under this Section) the applicable Recipient receives an amount equal to the sum it would have received had no such deduction or withholding been made.

(b) **Payment of Other Taxes by Borrower.** Borrower shall timely pay to the relevant Governmental Authority in accordance with Applicable Law, or at the option of Agents timely reimburse it for the payment of, any Other Taxes.

(c) **Indemnification by Borrower.** Each Loan Party shall, jointly and severally, indemnify each Recipient, within ten (10) days after demand therefor, for the full amount of any Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section) payable or paid by such Recipient or required to be withheld or deducted from a payment to such Recipient and any reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to such Loan Party by a Lender (with a copy to Agents), or by Agents on its own behalf or on behalf of a Lender, shall be conclusive absent manifest error.

(d) **Indemnification by the Lenders.** Each Lender shall severally indemnify Agents, within ten (10) days after demand therefor, for (i) any Indemnified Taxes attributable to such Lender (but only to the extent that a Loan Party has not already indemnified Agents for such Indemnified Taxes and without limiting the obligation of the Loan Parties to do so), (ii) any Taxes attributable to such Lender's failure to comply with the provisions of Section 14.1(b) relating to the maintenance of a Participant Register and (iii) any Excluded Taxes attributable to such Lender, in each case, that are payable or paid by Agents in connection with any Loan Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to such Lender by Agents shall be conclusive absent manifest error. Each Lender hereby authorizes Agents to set off and apply any and all amounts at any time owing to such Lender under any Loan Document or otherwise payable by Agents to such Lender from any other source against any amount due to Agents under this paragraph (d).

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

(f) **Status of Lenders.** Any Lender that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Loan Document shall deliver to Borrower and Agents, at the time or times reasonably requested by Borrower or Agents, such properly completed and executed documentation reasonably requested by Borrower or Agents as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, such Lender, if reasonably requested by Borrower or Agents, shall deliver such other documentation prescribed by Applicable Law or reasonably requested by Borrower or Agents as will enable Borrower or Agents to determine whether or not such Lender is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation set forth in paragraphs (f)(ii)(A), (ii)(B) and (ii)(D) of this Section) shall not be required if in such Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender.

(i) Without limiting the generality of the foregoing, in the event that Borrower is a U.S. Person,

(A) any Lender that is a U.S. Person shall deliver to Borrower and Agent on or about the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of Borrower or Agents), executed copies of IRS Form W-9 certifying that such Lender is exempt from U.S. federal backup withholding tax;

(B) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to Borrower and Agents (in such number of copies as shall be requested by the recipient) on or about the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of Borrower or Agents), whichever of the following is applicable:

a. in the case of a Foreign Lender claiming the benefits of an income tax treaty to which the United States is a party (x) with respect to payments of interest under any Loan Document, executed copies of IRS Form W-8BEN or IRS Form W-8BEN-E establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "interest" article of such tax treaty and (y) with respect to any other applicable payments under any Loan Document, IRS Form W-8BEN or IRS Form W-8BEN-E establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "business profits" or "other income" article of such tax treaty;

b. executed copies of IRS Form W-8ECI;

c. in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the IRC, (x) a certificate substantially in the form of Exhibit D-1 to the effect that such Foreign Lender is not a "bank" within the meaning of Section 881(c)(3)(A) of the IRC, a "10 percent shareholder" of Borrower within the meaning of Section 871(h)(3)(B) of the IRC, or a "controlled foreign corporation" related to Borrower as described in Section 881(c)(3)(C) of the IRC (a "U.S. Tax Compliance Certificate") and (y) executed copies of IRS Form W-8BEN or IRS Form W-8BEN-E; or

d. to the extent a Foreign Lender is not the beneficial owner, executed copies of IRS Form W-8IMY, accompanied by IRS Form W-8ECI, IRS Form W-8BEN, IRS Form W-8BEN-E, a U.S. Tax Compliance Certificate substantially in the form of Exhibit D-2 or Exhibit D-3, IRS Form W-9, and/or other certification documents from each beneficial owner, as applicable; provided that if the Foreign Lender is a partnership and one or more direct or indirect partners of such Foreign Lender are claiming the portfolio interest exemption, such Foreign Lender may provide a U.S. Tax Compliance Certificate substantially in the form of Exhibit D-4 on behalf of each such direct and indirect partner;

(C) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to Borrower and Agents (in such number of copies as shall be requested by the recipient) on or about the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of Borrower or Agents), executed copies of any other form prescribed by Applicable Law as a basis for claiming exemption from or a reduction in U.S. federal withholding Tax, duly completed, together with such supplementary documentation as may be prescribed by Applicable Law to permit Borrower or Agents to determine the withholding or deduction required to be made; and

(D) if a payment made to a Lender under any Loan Document would be subject to U.S. federal withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Lender shall deliver to Borrower and Agents at the time or times prescribed by law and at such time or times reasonably requested by Borrower or Agent such documentation prescribed by Applicable Law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by Borrower or Agent as may be necessary for Borrower and Agent to comply with their obligations under FATCA and to determine that such Lender has complied in all material respects with such Lender's obligations under FATCA or to determine the amount, if any, to deduct and withhold from such payment. Solely for purposes of this clause (D), "FATCA" shall include any amendments made to FATCA after the date of this Agreement.

Each Lender agrees that if any form or certification it previously delivered expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify Borrower and Agents in writing of its legal inability to do so.

(g) **Treatment of Certain Refunds.** If any party determines, in its sole discretion exercised in good faith, that it has received a refund of any Taxes as to which it has been indemnified pursuant to this Section (including by the payment of additional amounts pursuant to this Section), it shall pay to the indemnifying party an amount equal to such refund (but only to the extent of indemnity payments made under this Section with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) of such indemnified party and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund). Such indemnifying party, upon the request of such indemnified party, shall repay to such indemnified party the amount paid over pursuant to this paragraph (g) (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) in the event that such indemnified party is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this paragraph (g), in no event will the indemnified party be required to pay any amount to an indemnifying party pursuant to this paragraph (g) the payment of which would place the indemnified party in a less favorable net after-Tax position than the indemnified party would have been in if the Tax subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. This paragraph shall not be construed to require any indemnified party to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to the indemnifying party or any other Person.

(h) **Survival.** Each party's obligations under this Section shall survive the resignation or replacement of Agents or any assignment of rights by, or the replacement of, a Lender, the termination of the Commitments and the repayment, satisfaction or discharge of all obligations under any Loan Document.

16.12 **Collateral Matters**.

(a) The Lenders hereby irrevocably authorize Agents to release any Lien on any Collateral (i) upon the Commitments and payment and satisfaction in full by the Loan Parties of all of the Obligations (other than contingent obligations in respect of which no claim has been made), (ii) constituting property being sold or disposed of if a release is required or desirable in connection therewith and if the Loan Parties certify to Agents and each Lender that the sale or disposition is permitted under Section 16.4 (and Agents may rely conclusively on any such certificate, without further inquiry), (iii) constituting property in which the Loan Parties did not own any interest at the time Agent's Lien was granted nor at any time thereafter, (iv) constituting property leased or licensed to any Loan Party under a lease or license that has expired or is terminated in a transaction permitted under this Agreement, or (v) in connection with a credit bid or purchase authorized under this Section 16.12. The Loan Parties and the Lenders hereby irrevocably authorize Agents, upon the instruction of the Required Lenders, to (a) consent to the sale of, credit bid or purchase (either directly or indirectly through one or more entities) all or any portion of the Collateral at any sale thereof conducted under the provisions of the Bankruptcy Code, including Section 363 of the Bankruptcy Code, (b) credit bid or purchase (either directly or indirectly through one or more entities) all or any portion of the Collateral at any sale or other disposition thereof conducted under the provisions of the Code, including pursuant to Sections 9-610 or 9-620 of the Code, or (c) credit bid or purchase (either directly or indirectly through one or more entities) all or any portion of the Collateral at any other sale or foreclosure conducted or consented to by Agents and the Required Lenders in accordance with Applicable Law in any judicial action or proceeding or by the exercise of any legal or equitable remedy. In connection with any such credit bid or purchase, (i) the Obligations owed to the Lenders shall be entitled to be, and shall be, credit bid on a ratable basis (with Obligations with respect to contingent or unliquidated claims being estimated for such purpose if the fixing or liquidation thereof would not impair or unduly delay the ability of Agents to credit bid or purchase at such sale or other disposition of the Collateral and, if such contingent or unliquidated claims cannot be estimated without impairing or unduly delaying the ability of Agents to credit bid at such sale or other disposition, then such claims shall be disregarded, not credit bid, and not entitled to any interest in the Collateral that is the subject of such credit bid or purchase) and the Lenders whose obligations are credit bid shall be entitled to receive interests (ratably based upon the proportion of their Obligations credit bid in relation to the aggregate amount of Obligations so credit bid) in the Collateral that is the subject of such credit bid or purchase (or in the Stock of the any entities that are used to consummate such credit bid or purchase), and (ii) Agents, upon the instruction of the Required Lenders, may accept non-cash consideration, including debt and equity securities issued by such any entities used to consummate such credit bid or purchase and in connection therewith Agents may reduce the Obligations owed to the Lenders (ratably based upon the proportion of their Obligations credit bid in relation to the aggregate amount of Obligations so credit bid) based upon the value of such non-cash consideration. Except as provided above, Agents will not execute and deliver a release of any Lien on any Collateral without the prior written authorization of the Required Lenders. Upon request by Agents or the Loan Parties at any time, each Lender will confirm in writing each Agent's authority to release any such Liens on particular types or items of Collateral pursuant to this Section 16.12; *provided that* (1) anything to the contrary contained in any of the Loan Documents notwithstanding, Agents shall not be required to execute any document or take any action necessary to evidence such release on terms that, in each Agent's opinion, could expose Agents to liability or create any obligation or entail any consequence other than the release of such Lien without recourse, representation, or warranty, and (2) such release shall not in any manner discharge, affect, or impair the Obligations or any Liens (other than those expressly released) upon (or obligations of the Loan Parties in respect of) any and all interests retained by any Loan Party, including, the proceeds of any sale, all of which shall continue to constitute part of the Collateral.

(b) Agents shall have no obligation whatsoever to any Lender (i) to verify or assure that the Collateral exists or is owned by any Loan Party or is cared for, protected, or insured or has been encumbered, (ii) to verify or assure that Agent's Liens have been properly or sufficiently or lawfully created, perfected, protected, or enforced or are entitled to any particular priority, (iii) to impose, maintain, increase, reduce, implement, or eliminate any particular reserve hereunder or to determine whether the amount of any reserve is appropriate or not, or (iv) 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 Agents pursuant to any of the Loan Documents, it being understood and agreed that in respect of the Collateral, or any act, omission, or event related thereto, subject to the terms and conditions contained herein, Agents may act in any manner it may deem appropriate, in its sole discretion given each Agent's own interest in the Collateral in its capacity as a Lender and that Agent shall have no other duty or liability whatsoever to any Lender as to any of the foregoing, except as otherwise expressly provided herein.

16.13 **Erroneous Payment**.

(a) If Agents (x) notify the Lenders, any member of the Lender Group or any Person who has received funds on behalf of the Lenders or the Lender Group (any such Lender, member of the Lender Group or other recipient (and each of their respective successors and assigns), a "Payment Recipient") that Agents have determined in their sole discretion (whether or not after receipt of any notice under immediately succeeding clause (b)) that any funds (as set forth in such notice from Agents) received by such Payment Recipient from Agents or any of their Affiliates were erroneously or mistakenly transmitted to, or otherwise erroneously or mistakenly received by, such Payment Recipient (whether or not known to such Lender, member of the Lender Group or other Payment Recipient on its behalf) (any such funds, whether transmitted or received as a payment, prepayment or repayment of principal, interest, fees, distribution or otherwise, individually and collectively, an "Erroneous Payment") and (y) demands in writing the return of such Erroneous Payment (or a portion thereof), such Erroneous Payment shall at all times remain the property of Agents pending its return or repayment as contemplated below in this Section 16.13 and held in trust for the benefit of Agents, and the Lenders or member of the Lender Group shall (or, with respect to any Payment Recipient who received such funds on its behalf, shall cause such Payment Recipient to) promptly, but in no event later than two (2) Business Days thereafter (or such later date as Agents may, in their sole discretion, specify in writing), return to Agents the amount of any such Erroneous Payment (or portion thereof) as to which such a demand was made, in same day funds (in the currency so received). A notice of Agents to any Payment Recipient under this clause (a) shall be conclusive, absent manifest error.

(b) Without limiting immediately preceding clause (a), the Lenders, any member of the Lender Group or any Person who has received funds on behalf of the Lenders or any member of the Lender Group (and each of their respective successors and assigns), agrees that if it receives a payment, prepayment or repayment (whether received as a payment, prepayment or repayment of principal, interest, fees, distribution or otherwise) from Agents (or any of their Affiliates) (x) that is in a different amount than, or on a different date from, that specified in this Agreement or in a notice of payment, prepayment or repayment sent by Agents (or any of their Affiliates) with respect to such payment, prepayment or repayment, (y) that was not preceded or accompanied by a notice of payment, prepayment or repayment sent by Agents (or any of their Affiliates), or (z) that the Lenders, any member of the Lender Group or other such recipient, otherwise becomes aware was transmitted, or received, in error or by mistake (in whole or in part), then in each such case:

(i) it acknowledges and agrees that (A) in the case of immediately preceding clauses (x) or (y), an error and mistake shall be presumed to have been made (absent written confirmation from Agent to the contrary) or (B) an error and mistake has been made (in the case of immediately preceding clause (z)), in each case, with respect to such payment, prepayment or repayment; and

(ii) the Lenders and any member of the Lender Group shall use commercially reasonable efforts to (and shall use commercially reasonable efforts to cause any other recipient that receives funds on its respective behalf to) promptly (and, in all events, within one (1) Business Day of its knowledge of the occurrence of any of the circumstances described in immediately preceding clauses (x), (y) and (z)) notify Agents of its receipt of such payment, prepayment or repayment, the details thereof (in reasonable detail) and that it is so notifying Agents pursuant to this Section 16.13(b).

For the avoidance of doubt, the failure to deliver a notice to Agents pursuant to this Section 16.13(b) shall not have any effect on a Payment Recipient's obligations pursuant to Section 16.13(a) or on whether or not an Erroneous Payment has been made.

(c) The Lenders and any member of the Lender Group hereby authorizes Agents to set off, net and apply any and all amounts at any time owing to the Lenders or member of the Lender Group under any Loan Document, or otherwise payable or distributable by Agents to the Lenders or member of the Lender Group under any Loan Document with respect to any payment of principal, interest, fees or other amounts, against any amount that Agents have demanded to be returned under immediately preceding clause (a).

(d) (i) In the event that an Erroneous Payment (or portion thereof) is not recovered by for any reason, after demand therefor in accordance with immediately preceding clause (a), from a Lender that has received such Erroneous Payment (or portion thereof) (and/or from any Payment Recipient who received such Erroneous Payment (or portion thereof) on its respective behalf) (such unrecovered amount, an "Erroneous Payment Return Deficiency"), upon Agents' notice to such Lender at any time, then effective immediately (with the consideration therefor being acknowledged by the parties hereto), (A) such Lender shall be deemed to have assigned its Loans (but not its Commitments) with respect to which such Erroneous Payment was made (the "Erroneous Payment Impacted Class") in an amount equal to the Erroneous Payment Return Deficiency (or such lesser amount as Agents may specify) (such assignment of the Loans (but not Commitments) of the Erroneous Payment Impacted Class, the "Erroneous Payment Deficiency Assignment") (on a cashless basis and such amount calculated at par plus any accrued and unpaid interest (with the assignment fee to be waived by Agents in such instance)), and is hereby (together with Borrower) deemed to execute and deliver an Assignment and Assumption (or, to the extent applicable, an agreement incorporating an Assignment and Assumption by reference as to which Agents and such parties are participants) with respect to such Erroneous Payment Deficiency Assignment, and such Lender shall deliver any Notes evidencing such Loans to Borrower or Agents (but the failure of such Person to deliver any such Notes shall not affect the effectiveness of the foregoing assignment), (B) Agents as the assignee Lender shall be deemed to have acquired the Erroneous Payment Deficiency Assignment, (C) upon such deemed acquisition, Agents as the assignee Lender shall become a Lender, as applicable, hereunder with respect to such Erroneous Payment Deficiency Assignment and the assigning Lender shall cease to be a Lender, as applicable, hereunder with respect to such Erroneous Payment Deficiency Assignment, excluding, for the avoidance of doubt, its obligations under the indemnification provisions of this Agreement and its applicable Commitments which shall survive as to such assigning Lender, (D) Agents and Borrower shall each be deemed to have waived any consents required under this Agreement to any such Erroneous Payment Deficiency Assignment, and (E) Agents will reflect in the Register its ownership interest in the Loans subject to the Erroneous Payment Deficiency Assignment. For the avoidance of doubt, no Erroneous Payment Deficiency Assignment will reduce the Commitments of such Lender and such Commitments shall remain available in accordance with the terms of this Agreement.

(i) Subject to Section 14.1 (but excluding, in all events, any assignment consent or approval requirements (whether from Borrower or otherwise)), Agents may, in their discretion, sell any Loans acquired pursuant to an Erroneous Payment Deficiency Assignment and upon receipt of the proceeds of such sale, the Erroneous Payment Return Deficiency owing by the applicable Lender shall be reduced by the net proceeds of the sale of such Loan (or portion thereof), and Agents shall retain all other rights, remedies and claims against such Lender (and/or against any recipient that receives funds on its respective behalf). In addition, an Erroneous Payment Return Deficiency owing by a Lender (x) shall be reduced by the proceeds of prepayments or repayments of principal and interest, or other distribution in respect of principal and interest, received by Agents on or with respect to any such Loans acquired from such Lender pursuant to an Erroneous Payment Deficiency Assignment (to the extent that any such Loans are then owned by Agents) and (y) may, in the sole discretion of Agents, be reduced by any amount specified by Agents in writing to the applicable Lender from time to time.

(e) The parties hereto agree that (x) irrespective of whether Agents may be equitably subrogated, in the event that an Erroneous Payment (or portion thereof) is not recovered from any Payment Recipient that has received such Erroneous Payment (or portion thereof) for any reason, Agents shall be subrogated to all the rights and interests of such Payment Recipient (and, in the case of any Payment Recipient who has received funds on behalf of the Lenders or any member of the Lender Group, to the rights and interests of the Lenders or such member of the Lender Group, as the case may be) under the Loan Documents with respect to such amount (the "Erroneous Payment Subrogation Rights") (provided that the Loan Parties' Obligations under the Loan Documents in respect of the Erroneous Payment Subrogation Rights shall not be duplicative of such Obligations in respect of Loans that have been assigned to Agents under an Erroneous Payment Deficiency Assignment) and (y) an Erroneous Payment shall not pay, prepay, repay, discharge or otherwise satisfy any Obligations owed by Borrower or any other Loan Party; provided that this Section 16.13 shall not be interpreted to increase (or accelerate the due date for), or have the effect of increasing (or accelerating the due date for), the Obligations of Borrower relative to the amount (and/or timing for payment) of the Obligations that would have been payable had such Erroneous Payment not been made by Agents; provided, further, that for the avoidance of doubt, immediately preceding clauses (x) and (y) shall not apply to the extent any such Erroneous Payment is, and solely with respect to the amount of such Erroneous Payment that is, comprised of funds received by Agents from Borrower for the purpose of making such Erroneous Payment.

(f) To the extent permitted by applicable law, no Payment Recipient shall assert any right or claim to an Erroneous Payment, and hereby waives, and is deemed to waive, any claim, counterclaim, defense or right of set-off or recoupment with respect to any demand, claim or counterclaim by Agents for the return of any Erroneous Payment received, including, without limitation, any defense based on "discharge for value" or any similar doctrine.

(g) Each party's obligations, agreements and waivers under this Section 16.13 shall survive the resignation or replacement of Agents, any transfer of rights or obligations by, or the replacement of, the Lender, the termination of the Commitments and/or the repayment, satisfaction or discharge of all Obligations (or any portion thereof) under any Loan Document.

16.14 **Agency for Perfection.** Agents hereby appoint each Lender as its agent (and such Lender hereby accepts such appointment) for the purpose of perfecting Agent's Liens in assets which, in accordance with Article 8 or Article 9, as applicable, of the Code can be perfected by possession or control. Should any Lender obtain possession or control of any such Collateral, such Lender shall notify Agents thereof, and, promptly upon Agents' request therefor shall deliver possession or control of such Collateral to Agents or in accordance with Agents' instructions.

16.15 **Payments by Agents to the Lenders.** All payments to be made by Agents to any Lender shall be made by bank wire transfer of immediately available funds pursuant to such wire transfer instructions as each party may designate for itself by written notice to Agents. Concurrently with each such payment, Agents shall identify whether such payment (or any portion thereof) represents principal, premium, fees, or interest of the Obligations.

16.16 **Concerning the Collateral and Related Loan Documents.** Each member of the Lender Group authorizes and directs Agents to enter into this Agreement and the other Loan Documents. Each member of the Lender Group agrees that any action taken by Agents in accordance with the terms of this Agreement or the other Loan Documents relating to the Collateral and the exercise by Agents of its powers set forth therein or herein, together with such other powers that are reasonably incidental thereto, shall be binding upon all of the Lenders.

16.17 **Several Obligations; No Liability**. Notwithstanding that certain of the Loan Documents now or hereafter may have been or will be executed only by or in favor of Agents in its capacity as such, and not by or in favor of the Lenders, any and all obligations on the part of the Lenders to make any credit available hereunder shall constitute the several (and not joint) obligations of the respective Lenders on a ratable basis, according to their respective portion of the Commitment, to make an amount of such credit not to exceed, in principal amount, at any one time outstanding, the amount at such time of their respective portion of the Commitment. Nothing contained herein shall confer upon any Lender any interest in, or subject any Lender to any liability for, or in respect of, the business, assets, profits, losses, or liabilities of any other Lender. Nothing contained herein or in any other Loan Document, and no action taken by Lenders pursuant hereto or thereto, shall be deemed to constitute Lenders as a partnership, an association, a joint venture or any other kind of entity. Each Lender shall be solely responsible for notifying its Participants of any matters relating to the Loan Documents to the extent any such notice may be required, and no Lender shall have any obligation, duty, or liability to any Participant of any other Lender. Except as provided in Section 16.7, no member of the Lender Group shall have any liability for the acts of any other member of the Lender Group. No Lender shall be responsible to Parent, any Loan Party or any other Person for any failure by any other Lender to fulfill its obligations to make credit available hereunder, nor to advance for it or on its behalf, nor to take any other action on its behalf hereunder or in connection with the financing contemplated herein.

16.18 **Non-Consenting Agent**. In the event that Borrower proposes to amend, modify, supplement or waive any term of this Agreement or any of the other Loan Documents or take any other action that requires the consent of both Agents and one Agent does not consent to such action (such non-consenting Agent, the "Non-Consenting Agent"), the other Agent may purchase all of such Non-Consenting Agent's Loans at par plus accrued and unpaid interest and upon such other terms which are customary for such a transaction and shall be mutually agreed upon by both Agents.

17. GENERAL PROVISIONS.

17.1 **Effectiveness.** This Agreement shall be binding and deemed effective when executed by Parent, the Loan Parties, Agents, and each Lender whose signature is provided for on the signature pages hereof.

17.2 **Section Headings.** Headings and numbers have been set forth herein for convenience only. Unless the contrary is compelled by the context, everything contained in each Section applies equally to this entire Agreement.

17.3 **Interpretation.** Neither this Agreement nor any uncertainty or ambiguity herein shall be construed against the Lender Group or any Loan Party, whether under any rule of construction or otherwise. On the contrary, this Agreement has been reviewed by all parties and shall be construed and interpreted according to the ordinary meaning of the words used so as to accomplish fairly the purposes and intentions of all parties hereto.

17.4 **Severability of Provisions.** Each provision of this Agreement shall be severable from every other provision of this Agreement for the purpose of determining the legal enforceability of any specific provision.

17.5 **Counterparts; Electronic Execution.** This Agreement may be executed in any number of counterparts and by different parties on separate counterparts, each of which, when executed and delivered, shall be deemed to be an original, and all of which, when taken together, shall constitute but one and the same Agreement. Delivery of an executed counterpart of this Agreement by electronic mail or other electronic method of transmission shall be equally as effective as delivery of an original executed counterpart of this Agreement. Any party delivering an executed counterpart of this Agreement by electronic mail or other electronic method of transmission also shall deliver an original executed counterpart of this Agreement but the failure to deliver an original executed counterpart shall not affect the validity, enforceability, and binding effect of this Agreement. The foregoing shall apply to each other Loan Document *mutatis mutandis*.

17.6 **Revival and Reinstatement of Obligations; Certain Waivers.** If any member of the Lender Group repays, refunds, restores, or returns in whole or in part, any payment or property (including any proceeds of Collateral) previously paid or transferred to such member of the Lender Group in full or partial satisfaction of any Obligation or on account of any other obligation of any Loan Party under any Loan Document, because the payment, transfer, or the incurrence of the obligation so satisfied is asserted or declared to be void, voidable, or otherwise recoverable under any law relating to creditors' rights, including provisions of the Bankruptcy Code relating to fraudulent transfers, preferences, or other voidable or recoverable obligations or transfers (each, a "Voidable Transfer"), or because such member of the Lender Group elects to do so on the reasonable advice of its counsel in connection with a claim that the payment, transfer, or incurrence is or may be a Voidable Transfer, then, as to any such Voidable Transfer, or the amount thereof that such member of the Lender Group elects to repay, restore, or return (including pursuant to a settlement of any claim in respect thereof), and as to all reasonable costs, expenses, and attorneys' fees of such member of the Lender Group related thereto, (i) the liability of the Loan Parties with respect to the amount or property paid, refunded, restored, or returned will automatically and immediately be revived, reinstated, and restored and will exist and (ii) Agent's Liens securing such liability shall be effective, revived, and remain in full force and effect, in each case, as fully as if such Voidable Transfer had never been made. If, prior to any of the foregoing, (A) Agent's Liens shall have been released or terminated or (B) any provision of this Agreement shall have been terminated or cancelled, Agent's Liens, or such provision of this Agreement, shall be reinstated in full force and effect and such prior release, termination, cancellation or surrender shall not diminish, release, discharge, impair or otherwise affect the obligation of any Loan Party in respect of such liability or any Collateral securing such liability.

17.7 **Confidentiality**.

(a) Each Agent and each Lender each individually (and not jointly or jointly and severally) agree that material, non-public information regarding the Loan Parties, their operations, assets, and existing and contemplated business plans shall be treated by Agents and such Lender in a confidential manner, and shall not be disclosed by Agents or such Lender to Persons who are not parties to this Agreement, except: (i) to attorneys for and other advisors, accountants, auditors, and consultants to any member of the Lender Group and to employees, directors and officers of any member of the Lender Group (the "Lender Group Representatives") on a "need to know" basis in connection with this Agreement and the transactions contemplated hereby and on a confidential basis, (ii) to Subsidiaries and Affiliates of any member of the Lender Group and *provided that*, any such Subsidiary or Affiliate shall have agreed to receive such information hereunder subject to the terms of this Section 17.7, (iii) as may be required by regulatory authorities so long as such authorities are informed of the confidential nature of such information, (iv) as may be required by statute, decision, or judicial or administrative order, rule or regulation, (v) as may be agreed to in advance in writing by any Loan Party, (vi) as requested or required by any Governmental Authority pursuant to any subpoena or other legal process, (vii) as to any such information that is or becomes generally available to the public (other than as a result of prohibited disclosure by Agents or any Lender or the Lender Group Representative), (viii) in connection with any assignment, participation or pledge of a Lender's interest under this Agreement; *provided that*, such party is subject to confidentiality obligations no less protective of Borrower as those contained herein in connection therewith, (ix) in connection with any litigation or other adversary proceeding involving parties hereto which such litigation or adversary proceeding involves claims related to the rights or duties of such parties under this Agreement or the other Loan Documents, and (x) in connection with the exercise of any secured creditor remedy under this Agreement or any other Loan Documents.

(b) Anything in this Agreement to the contrary notwithstanding, Agents may disclose information concerning the terms and conditions of this Agreement and the other Loan Documents to loan syndication and pricing reporting services or in its marketing or promotional materials, with such information to consist of deal terms and other information customarily found in such publications or marketing or promotional materials and may otherwise use the name, logos, and other insignia of Borrower or the other Loan Parties and the Loans provided hereunder in any "tombstone" or other advertisements, on its website or in other marketing materials of Agents.

17.8 **Debtor-Creditor Relationship.** The relationship between the Lenders and Agents, on the one hand, and the Loan Parties, on the other hand, is solely that of creditor and debtor. No member of the Lender Group has (or shall be deemed to have) any fiduciary relationship or duty to Parent or any Loan Party arising out of or in connection with the Loan Documents or the transactions contemplated thereby, and there is no agency or joint venture relationship between the members of the Lender Group, on the one hand, and Parent or the Loan Parties, on the other hand, by virtue of any Loan Document or any transaction contemplated therein.

17.9 **Public Disclosure.** Each party hereto agrees that it will not disclose any non-public information regarding any other party hereto or issue any press release or other public disclosure using the name of any other party hereto or any of their respective Affiliates or referring to this Agreement or any other Loan Document or any of the terms or provisions hereof or thereof without the prior written consent of Agents and Borrower, except (i) to the extent that a party hereto is required to do so under Applicable Law (in which event, such party will consult with Agents or Borrower, as applicable before issuing such press release or other public disclosure to the extent permitted by Applicable Law), (ii) to attorneys for and other advisors, accountants, auditors, and consultants to any member of such party and to employees, directors and officers of any member of such party on a "need to know" basis in connection with this Agreement and the transactions contemplated hereby and on a confidential basis, (iii) to Subsidiaries and Affiliates of any party hereto and *provided that*, any such Subsidiary or Affiliate shall have agreed to receive such information hereunder subject to the terms of this Section 17.9, (iv) as may be required by regulatory authorities so long as such authorities are informed of the confidential nature of such information, (v) as may be required by statute, decision, or judicial or administrative order, rule or regulation, (vi) as may be agreed to in advance in writing by Agents and Borrower, (vii) as requested or required by any Governmental Authority pursuant to any subpoena or other legal process, (viii) as to any such information that is or becomes generally available to the public (other than as a result of any disclosure prohibited by this section) and (ix) in connection with any litigation or other adversary proceeding involving parties hereto which such litigation or adversary proceeding involves claims related to the rights or duties of such parties under this Agreement or the other Loan Documents. For the avoidance of doubt, this Section 17.9 or any other provision of this Agreement or the other Loan Documents shall not prohibit any member of the Lender Group from using any information disclosed to the Lender Group under Section 5.1 or otherwise under this Agreement in any reporting requirements under the Exchange Act with the Securities and Exchange Commission, any Governmental Authority succeeding to any or all of the functions of the Securities and Exchange Commission or with any national securities exchange, or distributed to its shareholders, as the case may be.

17.10 **Survival.** All 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 Loan, regardless of any investigation made by any such other party or on its behalf and notwithstanding that Agents or any Lender may have had notice or knowledge of any Default or 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 or unpaid (other than contingent obligations in respect of which no claim has been made) and so long as the Commitments have not expired or been terminated.

17.11 **PATRIOT Act**. Each Lender that is subject to the requirements of the Patriot Act hereby notifies Loan Parties that pursuant to the requirements of the Act, it is required to obtain, verify and record information that identifies Loan Parties, which information includes the name and address of Loan Parties and other information that will allow such Lender to identify Loan Parties in accordance with the Patriot Act.

17.12 **Integration.** This Agreement, together with the other Loan Documents, reflects the entire understanding of the parties with respect to the transactions contemplated hereby and shall not be contradicted or qualified by any other agreement, oral or written, before the date hereof.

17.13 **Joint and Several.** The obligations of the Loan Parties hereunder and under the other Loan Documents are joint and several.

17.14 **Acknowledgment and Consent to Bail-In of EEA Financial Institutions.** Notwithstanding anything to the contrary in any Loan Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any EEA Financial Institution arising under any Loan Document may be subject to the Write-Down and Conversion Powers of an EEA Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by an EEA Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an EEA Financial Institution; and

(b) the effects of any Bail-In Action on any such liability, including, if applicable:

(i) a reduction in full or in part or cancellation of any such liability;

(ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such EEA Financial Institution, its parent entity, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Loan Document; or

(iii) the variation of the terms of such liability in connection with the exercise of the write-down and conversion powers of any EEA Resolution Authority.

17.15 **Schedules.** Information furnished in any particular schedule attached hereto or any subsection thereof shall be deemed to have been disclosed with respect to every other schedule attached hereto or any subsection thereof to the extent the relevance of such information to other schedules or subsections thereof is readily apparent regardless of whether a specific cross-reference is indicated.

[Signature pages to follow.]

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

BORROWER:

HIGH STREET CAPITAL PARTNERS, LLC, a Delaware limited liability company

By: _____
Name: Steven Goertz
Title: Authorized Signatory

[*Signature Page to Credit Agreement*]

AGENTS:

[***], a Delaware limited liability company, as Administrative Agent

By: _____
Name:
Title:

VRT AGENT LLC, a Delaware limited liability company, as Co-Agent

By: _____
Name:
Title:

LENDERS:

AFC GAMMA, INC., a Maryland corporation, as a Lender

By: _____
Name:
Title:

[***], a Delaware limited liability company, as a Lender

By: _____
Name:
Title:

VIRIDESCENT REALTY TRUST, INC., a Delaware corporation, as a Lender

By: _____
Name:
Title:

Exhibit 10.4

*CERTAIN IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THE EXHIBIT BECAUSE IT IS BOTH NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE REGISTRANT IF PUBLICLY DISCLOSED. [***] INDICATES THAT INFORMATION HAS BEEN REDACTED.

THIRD AMENDMENT TO TAX RECEIVABLE AGREEMENT

This Third Amendment to Tax Receivable Agreement (this "**Agreement**"), dated as of October 24, 2022 (the "**Effective Date**"), is by and among Acreage Holdings America, Inc., a Nevada corporation (the "**U.S. Corporation**"), High Street Capital Partners, LLC, a Delaware limited liability company (the "**U.S. LLC**"), the members who are signatories hereto and who constitute the Supermajority Member Approval, as such term is defined in the TRA (the "**Members**"), Canopy Growth Corporation, a corporation existing under the laws of Canada ("**Canopy**") and Canopy USA LLC, a Delaware limited liability company ("**Canopy USA**"). The U.S. Corporation, U.S. LLC, the Members, Canopy and Canopy USA shall be collectively referred to herein as the "**Parties**". Unless otherwise herein defined, all capitalized terms shall have the meanings ascribed to them in the TRA.

WHEREAS, U.S. Corporation, U.S. LLC, the Members and certain other individuals originally entered into that certain Tax Receivable Agreement dated as of November 14, 2018 (the "**Initial Agreement**"), as amended by that certain First Amendment to Tax Receivable Agreement among the parties thereto dated June 27, 2019 (the "**First Amendment**") and that certain Second Amendment to Tax Receivable Agreement among the parties thereto dated September 23, 2020 (the "**Second Amendment**" and together with the Initial Agreement and the First Amendment, the "**TRA**") which provides for certain payments and arrangements with respect to certain tax benefits to be derived by U.S. Corporation as a result of certain exchanges or redemptions of membership units in U.S. LLC;

WHEREAS, in connection with the TRA, Acreage Holdings, Inc. ("**Acreage**"), the direct parent company to U.S. Corporation, established (i) the Second Amended and Restated Acreage Holdings Tax Receivable Bonus Plan, dated June 27, 2019, as amended by that certain First Amendment to Second Amended and Restated Acreage Holdings Tax Receivable Bonus Plan, dated September 26, 2020 ("**Bonus Plan I**"), and (ii) the Acreage Holdings Tax Receivable Bonus Plan II, dated April 17, 2019, as amended by that certain First Amendment to Acreage Holdings Tax Receivable Bonus Plan II, dated September 26, 2020 ("**Bonus Plan II**," and together with Bonus Plan I, collectively, the "**Bonus Plans**"), as part of the total compensation strategy of Acreage and its affiliates and subsidiaries, including, without limitation, U.S. Corporation and U.S. LLC, which Bonus Plans were incorporated by reference into the TRA;

WHEREAS, Acreage and Canopy USA desire to enter into an arrangement agreement (the "**Floating Share Arrangement Agreement**") as of the date hereof whereby Canopy will acquire all of the issued and outstanding Class D subordinate voting shares of Acreage (the "**Floating Shares**," and the transaction contemplated by the Floating Share Arrangement Agreement, the "**Proposed Transaction**");

WHEREAS, in consideration of the assignment of rights by the TRA Members (as defined below) of each TRA Member's rights under the TRA to Canopy USA and Canopy USA thereby becoming the sole beneficiary and member under the TRA, Canopy USA, in accordance with the terms of this Agreement, shall cause Canopy to, and Canopy shall, issue common shares in the capital of Canopy (the "**Canopy Shares**") equal to US$30,440,955.00 to the individuals party to the TRA (the "**TRA Members**"), upon receipt of an executed Assignment Agreement (as defined in Section 4); and

WHEREAS, except as specifically set forth in Section 2 of this Agreement, the Parties desire that all other terms and conditions of the TRA remain in full force and effect.

NOW, THEREFORE, IT IS AGREED AS FOLLOWS:

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereto hereby agree:

1. Recitals. The above recitals are hereby incorporated into the substantive provisions of this Amendment by reference hereto.

2. Amendments to TRA. Pursuant to Section 7.6(b) of the TRA, the Parties hereto, which includes Supermajority Member Approval, hereby amend the TRA as follows:

(a) Drag Along Rights. A new Section 3.4 shall be added to the TRA as follows:

"Section 3.4 Drag-Along Rights.

(a) Participation. If at any time Members constituting a Supermajority Member Approval (the "**Supermajority Members**") desire to transfer their interests hereunder to a third party (the "**Transferee**"), the Supermajority Members shall have the right to require each other Member party to this Agreement ("**Drag-along Members**") to participate in such transfer to said Transferee in the manner set forth in this Section 3.4.

(b) Notice. The Supermajority Members shall exercise their rights pursuant to this Section 3.4 by having a designee selected by them (the "**Designee**") delivering a written notice to the Drag-along Members as soon as practicable following the decision to implement the drag-along rights set forth herein, setting forth (i) the consideration to be received by the Drag-along Member, (ii) the identity of the Transferee, (iii) any other items and conditions of the proposed transfer as reasonably determined by the Supermajority Members, and (iv) the date of the proposed transfer with respect to the Drag-along Members.

(c) Conditions of Transfer. The consideration to be received by each Drag-along Member shall be the same form and pro-rata amount of consideration to be received by the Supermajority Members. The terms and conditions of the transfer by the Drag-along Members shall be the same as those agreed to by the Supermajority Members.

(d) Cooperation. The Drag-along Members shall take all necessary and desirable actions, as requested by the Designee, to consummate the transfer of interests hereunder pursuant to the exercise of the drag-along right set forth in this Section 3.4, including, without limitation, entering into agreements and delivering certificates, assignments and instruments, in each case, consistent with the agreements and assignments being entered into and the certificates being delivered by the Supermajority Members.

(e) Appointment of Attorney-in-Fact. Each Drag-along Member hereby unconditionally and irrevocably appoints the manager of the U.S. Corporation, or any other person designated by the Supermajority Members, which may be the Designee, as such Drag-along Member's agent, proxy and attorney-in-fact, with full power of substitution for purposes of the exercise of the drag-along right set forth in this Section 3.4. Each Drag-along Member authorizes such person to represent such Drag-along Member and to take any action necessary to effect the drag-along right set forth in this Section 3.4, including, without limitation, the execution and delivery of any of the agreements, assignments and instruments referred to in Section 3.4(d) above. Such power of attorney is coupled with an interest and shall be irrevocable unless and until this Agreement terminates."

(b) Registration Rights. The language set forth on Exhibit A hereto shall be added as a new section 7.16 of the TRA.

(c) Deletions. Sections 4(a) and 4(b) of the First Amendment are hereby deleted in their entirety.

(d) Claw Back. Section 4(d) of the First Amendment is hereby amended and restated as follows:

"No Claw Back. For the avoidance of doubt, the Members shall not be required under any circumstance to return any portion of the Tax Benefit Payments made after the Acquisition."

3. TRA Payment. In consideration of the assignment of rights by the TRA Members of each TRA Member's rights under the TRA to Canopy USA and Canopy USA thereby becoming the sole beneficiary and member under the TRA (i) the Supermajority Members shall exercise the drag-along rights contemplated by Section 2(a) in accordance with the terms thereof and Section 4 below and (ii) within two business days following the Assignment Agreement Delivery Date (as defined below), Canopy USA shall cause Canopy to, and Canopy shall, issue an aggregate of USD$30,440,955 in Canopy Shares to the TRA Members (the "**TRA Payment**") as set forth in Sections 4 and 5 herein. Canopy USA shall cause Canopy to, and Canopy shall, make the TRA Payment in accordance with Sections 4 and 5 below. The number of Canopy Shares constituting the TRA Payment shall be equal to the Fair Market Value of such Canopy Shares measured as of the close of trading on the second trading date prior to (i) the Effective Date, with respect to the Initial Payment and (ii) the date of issuance of such portion of the TRA Payment, with respect to the Second Payment. "**Fair Market Value**" shall mean the volume weighted average price per Canopy Share on the Nasdaq or, if the relevant shares are no longer traded on the Nasdaq at the applicable time, such other stock exchange upon which such shares are listed, as reported on Bloomberg under the function "VWAP" (or, if not reported therein, in another authoritative source mutually selected by the Parties) during the ten (10) days the Nasdaq or such other stock exchange, as applicable, is open for the transaction of business.

4. Initial Payment. Within two business days following the Assignment Agreement Delivery Date (as defined below), Canopy USA shall cause Canopy to, and Canopy shall, issue Canopy Shares having an aggregate Fair Market Value of $15,220,477.50 (the "**Initial Payment**") to each of the individuals set forth on Exhibit B in the amounts set forth opposite such individual's name on such exhibit in accordance with account instructions provided by such individual. The parties acknowledge and agree that if an executed Assignment of Rights Agreement in the form attached hereto as Exhibit C (the "**Assignment Agreement**") is not received by Canopy within five days from the Effective Date from each individual listed on Exhibit B, the Supermajority Members shall implement the drag-along rights contemplated by Section 2(a) above and if, after giving effect to such drag-along rights, any individual has not delivered an Assignment Agreement to Canopy within ten days following implementation of the drag-along rights by the Supermajority Members then the Designee shall deliver an executed Assignment Agreement to Canopy on behalf of any such individual pursuant to Sections 3.4(d) and (e) of the TRA (as amended hereby) (the latest date on which all executed Assignment Agreements have been delivered to Canopy, whether executed by a TRA Member individually or executed by the Designee on behalf of a TRA Member, shall be the "**Assignment Agreement Delivery Date**").

5. Second Payment. Canopy USA shall cause Canopy to, and Canopy shall, issue Canopy Shares having an aggregate Fair Market Value of $15,220,477.50 (the "**Second Payment**") to the individuals set forth on Exhibit B in the amounts set forth opposite such individual's name on such exhibit on the earlier of (a) two (2) business days after the date on which a successful shareholder vote approving the Proposed Transaction by holders of the Floating Shares has occurred, or (b) the date that is six months after the date hereof. For the avoidance of doubt, the Initial Payment amount and the Second Payment amount payable to Kevin Murphy as set forth on Exhibit B are after reduction for Tax Benefit Payments he previously waived pursuant to that certain Irrevocable Waiver dated April 17, 2019, attached as Exhibit D hereto.

6. Canopy's Agreement to Fund Bonus Plans. On the closing of the Proposed Transaction or, if the Proposed Transaction does not close or is terminated but the Acquisition (as such term is defined in the Arrangement Agreement, as amended on May 15, 2019, September 23, 2020 and November 17, 2020 (collectively, the **"Arrangement Agreement**")) closes, then on the closing of the Acquisition, at the direction of Acreage, Canopy USA shall cause Canopy to, and Canopy shall, issue to participants under the Bonus Plans (as amended), in consideration for compensation to be paid by Acreage, and in full and final settlement of Acreage's obligations under the Bonus Plans (as amended), Canopy Shares having an aggregate Fair Market Value of US$19,559,045 (the "**Bonus Plan Payments**" and together with the Initial Payment and the Second Payment, the "**Canopy Share Payments**"), where Canopy Shares with a Fair Market Value of US$11,764,706 will fund Bonus Plan I (as amended), and where Canopy Shares with a Fair Market Value of US$7,794,339 will fund Bonus Plan II (as amended). Notwithstanding the foregoing, if Acreage and Canopy jointly agree, Acreage equity securities may be issued instead of Canopy Shares immediately prior to the closing of the Proposed Transaction or Acquisition (as applicable); provided, that such issuance of Acreage equity securities (i) does not require any governmental, third party or stockholder approvals and (ii) does not change the intended economic benefit to, or create any adverse tax or other consequences on, the participants under the Bonus Plans (as amended). The number of Canopy Shares constituting the Bonus Plan Payments shall be equal to the Fair Market Value of such Canopy Shares constituting the Bonus Plan Payments measured as of the close of trading on the second trading date prior to the date of issuance. In the event that closing of the Acquisition does not occur, the Bonus Plans (as amended) shall remain in full force and effect in accordance with their terms and Canopy USA and Canopy shall have no obligation to make the Bonus Plan Payments. Canopy further agrees to provide the registration rights set forth on Exhibit A to the recipients of Canopy Shares under the Bonus Plans (as amended) and the Parties acknowledge and agree that such recipients of Canopy Shares under the Bonus Plans (as amended) are intended third party beneficiaries of such registration rights provided by Canopy, and each of Canopy USA and Canopy agrees that it shall not amend or alter in any respect, whether by way of future amendment to the TRA or otherwise, the obligations set forth in this Section 6, which shall continue and survive until the earlier of the closing of the Acquisition or the Acquisition Closing End Date (as such term is defined in the Arrangement Agreement).

7. Payment in Cash if Required by Nasdaq Shareholder Approval Rules. Notwithstanding anything to the contrary contained herein, in order to ensure compliance with Rule 5635 of the Rules of The Nasdaq Stock Market ("**Nasdaq**"), to the extent that payment of any of the Canopy Share Payments in Canopy Shares would result in the issuance of more than 19.99% of the Canopy Shares outstanding on the date of the signing of this Agreement (taking into account Nasdaq interpretations regarding aggregation of stock issuances), Canopy shall only make the Canopy Share Payments in an amount of whole Canopy Shares equal to (as near as possible, but not exceeding) 19.99% of the Canopy Shares outstanding on the date of the signing of this Agreement, and any remaining portion of the Canopy Share Payments that would have otherwise been paid in Canopy Shares shall be paid by Canopy in cash.

8. Canopy Change of Control Adjustment. If a Canopy Change of Control (as defined in the Floating Share Arrangement Agreement) shall occur prior to the date on which any Canopy Share Payments are to be made pursuant to this Agreement, the Parties acknowledge and agree that Section 2.13 of the Floating Share Arrangement Agreement shall be implemented so that any recipient of Canopy Share Payments hereunder shall receive such Alternate Consideration (as defined in the Floating Share Arrangement Agreement) as contemplated by Section 2.13 of the Floating Share Arrangement Agreement.

9. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to principles of conflicts of law.

10. Binding Effect. This Agreement shall inure to the benefit of and shall be legally binding upon the Parties hereto and their respective successors, assigns, representatives and heirs.

11. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original as against any party whose signature appears thereon but all of which shall constitute one and the same instrument. This Agreement may be executed and delivered by facsimile or pdf and such facsimile or pdf shall be effective for all purposes.

[Signatures on Following Page]

IN WITNESS WHEREOF, this Agreement has been executed as of the day and year first above written.

High Street Capital Partners, LLC

By: Acreage Holdings America, Inc.

By: /s/ Kevin Murphy
Name: Kevin Murphy
Title: President

Acreage Holdings America, Inc.

By: /s/ Kevin Murphy
Name: Kevin Murphy
Title: President

Canopy Growth Corporation

By: /s/ Christelle Gedeon
Name: Christelle Gedeon
Title:

Canopy USA, LLC

By: /s/ David Klein
Name: David Klein
Title:

Supermajority Member Consent

/s/ Kevin Murphy
Kevin Murphy

/s/ Melvin Yellin
Melvin Yellin

/s/ Devin Binford
Devin Binford

/s/ Glen Leibowitz
Glen Leibowitz

/s/ James Doherty
James Doherty

[signature page to Third Amendment to Tax Receivable Agreement]

Exhibit A

1. Registration Statement.

   a. Subject to the receipt of complete and accurate information required by Section 1(e) below, (i) within thirty-five (35) days following the Initial Payment in the form of Canopy common shares (the "**Canopy Shares**"), (ii) as soon as practicable following the Second Payment in the form of Canopy Shares, and (iii) as soon as practicable following the issuance of Canopy Shares pursuant to that certain Third Amended and Restated Acreage Holdings Tax Receivable Bonus Plan ("**Bonus Plan I Amendment**") and that certain Amended and Restated Acreage Holdings Tax Receivable Bonus Plan II ("**Bonus Plan II Amendment**" and together with Bonus Plan I Amendment, the "**Bonus Plan Amendments**")], in each case, to those individuals party to the TRA and certain individuals under the Bonus Plans pursuant to this Amendment and the Bonus Plan Amendments (such Canopy Shares, including any common shares or other shares issued or issuable by Canopy with respect to the Canopy Shares by way of a stock dividend or stock split or in exchange for or upon conversion of such shares or otherwise in connection with a combination of shares, distribution, recapitalization, merger, consolidation, other reorganization or other similar event with respect to the Canopy Shares, the "**Canopy Registrable Securities**"), but in each case not later than thirty-five (35) calendar days following such issuance, Canopy shall prepare and file with the United States Securities and Exchange Commission (the "**SEC**") either a registration statement (each a "**New Registration Statement**") on Form S-3 ASR (or the then appropriate form for an offering to be made on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, as amended, and any applicable rules and regulations thereunder, and any successor to such statute, rules or regulations (the "**Securities Act**")) or a prospectus supplement (each a "**Prospectus Supplement**") to a then effective Form S-3ASR (each an "**Existing Registration Statement**") covering the resale or distribution of the Canopy Registrable Securities on a delayed or continuous basis pursuant to Rule 415 under the Securities Act and, if filing a New Registration Statement, Canopy shall use its commercially reasonable efforts to cause such New Registration Statement to be declared effective by the SEC as soon as practicable thereafter, such that the resale of such Canopy Registrable Securities by such Members shall be eligible for resale within forty (40) calendar days of the date of issuance of such Canopy Registrable Securities. For purposes of this Exhibit A, a "**Member**" means each of those individuals party to the TRA and certain individuals under the Bonus Plans that hold Canopy Registrable Securities.

   b. Canopy shall use its commercially reasonable efforts to keep any New Registration Statement and any Existing Registration Statement (as applicable, a "**Registration Statement**") continuously effective under the Securities Act covering all Canopy Registrable Securities registered under such Registration Statement for a period up to the earlier of the date that all outstanding Canopy Registrable Securities registered under such Registration Statement (x) have been sold by the Members; or (y) may be sold pursuant to Rule 144 in a single day without volume or manner of sale restrictions Canopy or counsel to Canopy has provided an opinion letter to Computershare Trust Company of Canada or any other transfer agent appointed by Canopy (the "**Transfer Agent**") to remove all restrictive legends on such outstanding Canopy Registrable Securities registered under such Registration Statement and all such legends have been removed (as applicable, the "**Effectiveness Period**"). Each Member acknowledges that (i) the Company is an issuer of the type referred to in Rule 144(i); (ii) the Canopy Registrable Securities will not be eligible for resale pursuant to Rule 144 if, at the time of such resale, the Company has not filed all reports and other materials (other than Form 8-K reports) required to be filed by it pursuant to §13 or §15(d) of the Exchange Act, as applicable, during the preceding 12 months. Each member further acknowledges that in connection with any request for the removal of the Restricted Legend (as defined below), such Member shall provide a Legend Removal Certificate in substantially the form set forth on **Schedule 1** to this Exhibit A.

c. Canopy shall notify the Members in writing promptly (and in any event within one (1) Business Day) after receiving notification from the SEC that a Registration Statement has been filed and is effective or that a related prospectus has been filed.

d. Each Member understands that the Canopy Registrable Securities may not be resold, transferred, pledged or otherwise disposed of by the Member absent an effective registration statement under the Securities Act, except: (w) to Canopy or a subsidiary thereof; (x) pursuant to offers and sales that occur solely outside the United States within the meaning of, and in compliance with, Regulation S under the Securities Act; (y) in compliance with (1) Rule 144 or (2) Rule 144A under the Securities Act, if available; or (z) pursuant to another applicable exemption from the registration requirements of the Securities Act, and in each of cases (y) and (z), in accordance with any applicable securities laws of the states and other jurisdictions of the United States, and that any certificates or book entries representing the Canopy Registrable Securities shall contain a legend to such effect (the "**Restricted Legend**").

e. Canopy may require each Member that will be issued any Canopy Registrable Securities to provide such additional information regarding such Member as may be reasonably required under the Securities Act and requested by the Transfer Agent to effect the registration of such Canopy Registrable Securities. It shall be a condition precedent to the obligations of Canopy to include any such Canopy Registrable Securities of any such Member in a Registration Statement or a related prospectus that such Member promptly furnish to Canopy the information requested in the security holder questionnaire attached as Schedule 2 to this Exhibit A. In addition, each such Member shall also provide such information as Canopy shall reasonably request to effect the registration of any such Canopy Registrable Securities issued or to be issued to such Member and for legal counsel to Canopy to deliver an opinion to the Transfer Agent in order to remove the Restricted Legend with respect to such Canopy Registrable Securities at a time when the Canopy Registrable Securities may be sold under Rule 144 without any volume restrictions and without there being a requirement under Rule 144 that current public information relating to Canopy be available.

f. Notwithstanding any other provision of this Agreement, Canopy may (x) restrict offers and sales or other dispositions of Canopy Registrable Securities pursuant to a Registration Statement or related prospectus; or (y) defer the filing of a New Registration Statement or a Prospectus Supplement relating to the Canopy Registrable Securities or defer the preparation or furnishing of any supplement or amendment to a prospectus, in each case, if Canopy has delivered a written notice (a "**Suspension Notice**") to the Members stating that a suspension in the offer and sale or other disposition of Canopy Registrable Securities or deferral in the filing of a New Registration Statement or a Prospectus Supplement is necessary because Canopy's Chief Executive Officer, in his or her reasonable good faith judgment (after consultation with Canopy's legal advisors), has determined that the offer and sale or other disposition of the Canopy Registrable Securities or filing of a New Registration Statement or a Prospectus Supplement would (1) require public disclosure by Canopy of material non-public information that is not included in a Registration Statement or a prospectus related to such Registration Statement and that immediate disclosure of such information would be materially detrimental to Canopy, (2) materially interfere with a significant acquisition, corporate reorganization, financing, securities offering or other similar transaction involving Canopy or (3) render Canopy unable to comply with requirements under the Securities Act or the Securities Exchange Act of 1934, as amended and the rules and regulation promulgated thereunder (the **"Exchange Act**"); provided, however, that Canopy may not suspend offers and sales or other dispositions of Canopy Registrable Securities or defer the filing of a New Registration Statement or a Prospectus Supplement pursuant to this Section 1(f) for more than 60 days at any one time, or more than an aggregate of 120 days in any rolling 12 month period.

g. Notwithstanding anything to the contrary in this Agreement, Canopy shall not be required to file a New Registration Statement contemplated by Section 1(a), in the event that Canopy has not received the consent of its independent registered public accounting firm or other required consents from auditors to include such firm's audit report in the Registration Statement, provided that (x) Canopy has used commercially reasonable efforts to obtain such consents; and (y) Canopy shall file such Registration Statement as soon as reasonably practicable following the receipt of such consents.

2. Registration Procedures. In connection with the registration obligations hereunder, Canopy shall until the expiration of the applicable Effectiveness Period:

a. prepare and file with the SEC such amendments, including post-effective amendments, to a Registration Statement as may be necessary to keep such Registration Statement continuously effective, as to the Canopy Registrable Securities for the Effectiveness Period;

b. within a reasonable time before filing a Registration Statement, Prospectus Supplement or amendments or supplements thereto with the SEC, furnish to counsel for the U.S. Corporation, copies of such documents proposed to be filed, which documents shall be subject to the review, comment and approval of such counsel;

c. cause each Prospectus Supplement or prospectus related to a Registration Statement to be amended or supplemented by any required prospectus or supplement, and as so supplemented or amended to be filed pursuant to Rule 424 under the Securities Act;

d. respond as promptly as reasonably practical to any comments received from the SEC with respect to a Registration Statement or any amendment thereto;

e. comply in all material respects with the provisions of the Securities Act and the Exchange Act applicable to Canopy with respect to the disposition of all Canopy Registrable Securities during the Effectiveness Period in accordance with the intended methods of disposition by the relevant Member(s) thereof set forth in such Registration Statement or the related prospectus;

f. notify the Members as promptly as reasonably practical, and confirm such notice in writing no later than two Business Days thereafter, of any of the following events:

    i. Canopy becomes aware that the SEC has issued any stop order suspending the effectiveness of a Registration Statement or initiates any action, claim, suit, proceeding, inquiry or investigation for that purpose;

    ii. Canopy receives notice of any suspension of the qualification or exemption from qualification of any Canopy Registrable Securities for sale in any jurisdiction, or the initiation or threat of any action, claim, suit, proceeding, inquiry or investigation for such purpose; or

    iii. the financial statements included in a Registration Statement become ineligible for inclusion therein or a Registration Statement or a related prospectus contains any untrue statement of a material fact or omits to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

g. use its commercially reasonable efforts to avoid the issuance of or, if issued, promptly obtain the withdrawal of:

    i. any order suspending the effectiveness of a Registration Statement; or

    ii. any suspension of the qualification (or exemption from qualification) of any of the Canopy Registrable Securities in any jurisdiction, as soon as possible;

h. if requested by the Members, promptly provide, without charge, at least one conformed copy of a Registration Statement and each amendment thereto, including financial statements and schedules, and all exhibits to the extent requested by the Members (including those previously furnished or incorporated by reference) promptly after the filing of such documents with the SEC;

i. promptly deliver to the Members, without charge, as many copies of the Prospectus Supplement or any prospectuses related to a Registration Statement (including each form of prospectus) and each amendment or supplement thereto, and such other documents as such Member may reasonably request in order to facilitate the disposition of Canopy Registrable Securities owned by such Member;

j. prior to any public offering of Canopy Registrable Securities, use its commercially reasonable efforts to register or qualify or cooperate with the Members in connection with the registration or qualification (or exemption from such registration or qualification) of such Canopy Registrable Securities for offer and sale under the securities or Blue Sky laws of such jurisdictions within the United States as a Member requests in writing, to keep each such registration or qualification (or exemption therefrom) effective for so long as required, but not to exceed the duration of the Effectiveness Period, and to do any and all other acts or things reasonably necessary or advisable to enable the disposition in such jurisdictions of the Canopy Registrable Securities during the Effectiveness Period; provided, however, that Canopy shall not be obligated to file any general consent to service of process or to qualify as a foreign corporation or as a dealer in securities in any jurisdiction in which it would not otherwise be required to qualify but for this Section 2(i) or to subject itself to taxation in respect of doing business in any jurisdiction in which it is not otherwise so subject;

k. cooperate with the Members to facilitate the timely preparation and delivery of certificates representing the Canopy Registrable Securities to be sold pursuant to a Registration Statement or Rule 144 under the Securities Act free of all restrictive legends, including without limitation, the Restricted Legend, and to enable such Canopy Shares to be in such denominations and registered in such names as the Members may reasonably request a reasonable period of time prior to sales of Canopy Registrable Securities pursuant to a Registration Statement or Rule 144 under the Securities Act; provided that Canopy may satisfy its obligations hereunder without issuing physical certificates through the use of The Depository Trust Company's Direct Registration System;

l. subject to Section 1(f), promptly upon the occurrence of any event described in Section 2(f), (A) cause such Registration Statement to again become effective under the Securities Act, including by amending or supplementing such Registration Statement in a manner reasonably expected to cause such Registration Statement to again become effective under the Securities Act or, file an additional registration statement for an offering to be made on a delayed or continuous basis pursuant to Rule 415 of the Securities Act registering the resale from time to time by the Members of the Canopy Registrable Securities; (B) prepare a supplement or amendment, including a post-effective amendment, to a Registration Statement or a supplement to the related prospectus or any document incorporated or deemed to be incorporated therein by reference, and file any other required document so that, as thereafter delivered, neither such Registration Statement nor such prospectus will contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; and (C) keep such additional, supplemented or amended Registration Statement (or another additional Registration Statement) continuously effective until the end of the Effectiveness Period;

m. promptly inform the Members in writing if, at any time during the Effectiveness Period, Canopy does not satisfy the conditions specified in Rule 172 of the Securities Act and, as a result thereof, the Members are required to make available a prospectus in connection with any disposition of Canopy Registrable Securities; and

n. otherwise use its commercially reasonable efforts to take all other steps necessary to effect the registration of such Canopy Registrable Securities contemplated hereby.

3. Registration Expenses. Canopy shall pay all fees and expenses incident to the performance of or compliance with this Exhibit A, including, without limitation, all: (i) registration and filing fees and expenses, including without limitation those related to filings with the SEC, the Nasdaq, the Financial Regulatory Authority or comparable securities trading market and in connection with applicable state securities or Blue Sky laws; (ii) printing expenses (including without limitation expenses of printing certificates or Direct Registration System notifications for Canopy Shares); (iii) messenger, telephone and delivery expenses incurred by Canopy; (iv) fees and disbursements of Canopy's counsel and accountants; (v) fees and expenses of all other persons retained by Canopy in connection with the consummation of the transactions contemplated by this Agreement; and (vi) all listing fees to be paid by Canopy to Nasdaq or a comparable securities trading market; provided, however, that Canopy shall not be responsible for broker fees and commissions of the Members or for fees of legal counsel or other professional advisers that may be retained by the Members.

4. Indemnification.

a. Canopy shall indemnify and hold harmless, to the fullest extent permitted by law, each Member, such Member's officers, directors, managers, members, partners, stockholders and affiliates, each underwriter, broker or any other person acting on behalf of such Member and each other controlling person, if any, who controls any of the foregoing persons, against all losses, claims, actions, damages, liabilities and expenses to which any of the foregoing persons may become subject under the Securities Act or otherwise, insofar as such losses, claims, actions, damages, liabilities or expenses arise out of or are based upon any untrue or alleged untrue statement of a material fact contained in any Registration Statement, prospectus, preliminary prospectus, free writing prospectus (as defined in Rule 405 under the Securities Act or any successor rule thereto) 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 (in the case of a prospectus, preliminary prospectus or free writing prospectus, in light of the circumstances under which they were made) not misleading; and shall reimburse such persons for any legal or other expenses reasonably incurred by any of them in connection with investigating or defending any such loss, claim, action, damage or liability, except insofar as the same are caused by or contained in any information furnished in writing to Canopy by such Member expressly for use therein or by such Member's failure to deliver a copy of the Registration Statement, prospectus, preliminary prospectus, free writing prospectus (as defined in Rule 405 under the Securities Act or any successor rule thereto) or any amendments or supplements thereto (if the same was required by applicable law to be so delivered) after Canopy has furnished such Member with a sufficient number of copies of the same prior to any written confirmation of the sale of Canopy Registrable Securities. This indemnity shall be in addition to any liability Canopy may otherwise have.

b. Each Member severally and not jointly agrees to indemnify and hold harmless Canopy, and each of its directors and officers (including each director and officer of Canopy who signed a Registration Statement), and each person, if any, who controls Canopy within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act against all losses, claims, actions, damages, liabilities and expenses to which any of the foregoing persons may become subject under the Securities Act or otherwise, insofar as such losses, claims, actions, damages, liabilities or expenses arise out of or are based upon any untrue or alleged untrue statement of a material fact contained in any Registration Statement, prospectus, preliminary prospectus, free writing prospectus (as defined in Rule 405 under the Securities Act or any successor rule thereto) 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 (in the case of a prospectus, preliminary prospectus or free writing prospectus, in light of the circumstances under which they were made) not misleading; and shall reimburse such persons for any legal or other expenses reasonably incurred by any of them in connection with investigating or defending any such loss, claim, action, damage or liability; *provided, however*, that the indemnity provided pursuant to this Section 4.b. shall only apply with respect to any loss, claim, action, damages, liability or expense to the extent arising out of any untrue statement or omission or alleged untrue statement or omission made in reliance upon and in conformity with written information furnished to Canopy by such Member expressly for use in any Registration Statement, prospectus, preliminary prospectus, free writing prospectus (as defined in Rule 405 under the Securities Act or any successor rule thereto) or any amendment thereof or supplement thereto.

c. Promptly after receipt by an indemnified party of notice of the commencement of any action involving a claim referred to in this Section 4, such indemnified party shall, if a claim in respect thereof is made against an indemnifying party, give written notice to the latter of the commencement of such action. The failure of any indemnified party to notify an indemnifying party of any such action shall not (unless such failure shall have a material adverse effect on the indemnifying party) relieve the indemnifying party from any liability in respect of such action that it may have to such indemnified party hereunder. In case any such action is brought against an indemnified party, the indemnifying party shall be entitled to participate in and to assume the defense of the claims in any such action that are subject or potentially subject to indemnification hereunder, jointly with any other indemnifying party similarly notified to the extent that it may wish, with counsel reasonably satisfactory to such indemnified party, and after written notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, the indemnifying party shall not be responsible for any legal or other expenses subsequently incurred by the indemnified party in connection with the defense thereof; provided, that, if counsel to any indemnified party shall have reasonably concluded that there may be one or more legal or equitable defenses available to such indemnified party which are additional to or conflict with those available to the indemnifying party, the indemnifying party shall not have the right to assume the defense of such action on behalf of such indemnified party without such indemnified party's prior written consent (but, without such consent, shall have the right to participate therein with counsel of its choice) and such indemnifying party shall reimburse such indemnified party for the reasoanble fees and expenses of counsel retained by the indemnified party . If the indemnifying party is not entitled to, or elects not to, assume the defense of a claim, it shall not be obligated to pay the fees and expenses of more than one counsel for all parties indemnified by such indemnifying party with respect to such claim, unless in the reasonable judgment of counsel to any indemnified party a conflict of interest may exist between such indemnified party and any other of such indemnified parties with respect to such claim. In such instance, the conflicting indemnified parties shall have a right to retain one separate counsel, chosen by the holders of a majority of the Canopy Registrable Securities included in the registration, at the expense of the indemnifying party. If the indemnifying party is not so entitled to assume the defense of such action or does not assume such defense, the indemnifying party will not be liable for any settlement effected without the written consent of the indemnifying party, not to be unreasonably withheld, delayed or conditioned.

d. If the indemnification provided for hereunder is held by a court of competent jurisdiction to be unavailable to an indemnified party with respect to any loss, claim, damage, liability, expense or action referred to herein, then the indemnifying party, in lieu of indemnifying such indemnified party hereunder, shall contribute to the amounts paid or payable by such indemnified party as a result of such loss, claim, damage, liability, expense or action in such proportion as is appropriate to reflect the relative fault of the indemnifying party on the one hand and of the indemnified party on the other in connection with the statements or omissions which resulted in such loss, claim, damage, liability or action as well as any other relevant equitable considerations; provided, that the maximum amount of liability in respect of such contribution shall be limited, in the case of each holder of Canopy Registrable Securities, to an amount equal to the net proceeds actually received by such seller from the sale of Canopy Registrable Securities effected pursuant to such registration. The relative fault of the indemnifying party and of the indemnified party shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the indemnifying party or by the indemnified party and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The parties agree that it would not be just and equitable if contribution pursuant hereto were determined by pro rata allocation or by any other method or allocation which does not take account of the equitable considerations referred to herein. No Person guilty or liable of fraudulent misrepresentation within the meaning of Section 11(f) of the Securities Act shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation.

5. Dispositions. In connection with any sales of Canopy Registrable Securities pursuant to a Registration Statement, the Members agree that they will (x) comply with the prospectus delivery requirements of the Securities Act applicable to them in connection such sales and (y) sell their Canopy Shares in accordance with the "Plan of Distribution" set forth in the applicable prospectus. The Members further agree that, upon receipt of a Suspension Notice, the Members will discontinue disposition of Canopy Registrable Securities under a Registration Statement until the Members are advised in writing by Canopy that the use of the prospectus, or amended prospectus, as applicable, may be used. Canopy may provide appropriate stop orders to enforce the provisions of this paragraph.

6. No Assignment of Registration Rights. Notwithstanding any other provision of this Agreement, no person who acquires Canopy Registrable Securities from any Member shall have the benefit of any of the registration rights provided under this Exhibit A.

7. Preservation of Rights. Notwithstanding any other provision of this Agreement, Canopy shall not enter into any agreement, take any action, or permit any change to occur, with respect to its securities that violates the rights expressly granted to the Members under this Exhibit A.

SCHEDULE 1 TO EXHIBIT A

CANOPY GROWTH CORPORATION

LEGEND REMOVAL CERTIFICATE

The undersigned shareholder (the "***Shareholder***") of **CANOPY GROWTH CORPORATION**, a corporation organized and existing under the *Canada Business Corporations Act* (the "***Company***"), is delivering this certificate to the Company in connection with the Shareholder's request to remove the transfer restriction legends under the Securities Act of 1933, as amended (the "***Securities Act***"), from certificates or book-entry notations issued in the Shareholder's name with respect to the number of common shares, no par value, of the Company set forth on Schedule I hereto (the "***Shares***").

A. The Shareholder hereby represents and warrants to the Company that the Shareholder is not currently an affiliate of the Company, as that term is defined in paragraph (a)(1) of Rule 144 promulgated under the Securities Act ("***Rule 144***"), and has not been an affiliate of the Company for a period of three months prior to the date hereof.

B. The Shareholder acquired and fully paid for the above securities at least one year ago, or acquired the securities from a non-affiliate of the Company, who acquired and fully paid for the securities at least one year ago, with such time periods being computed in accordance with paragraph (d) of Rule 144 and interpretations of the Division of Corporation Finance of the Securities and Exchange Commission thereunder.

C. The Shareholder hereby represents and warrants to the Company that the Shareholder is sophisticated in financial matters and is familiar with the registration requirements under the Securities Act. If the Shareholder is an investment fund, the Shareholder's chief compliance officer (or the chief compliance officer of the general partner, manager or other entity which manages the Shareholder) has reviewed this certificate and is aware that the Shareholder will be executing and delivering this certificate to the Company and undertaking the obligations set forth herein.

D. The Shareholder acknowledges that the Company is formerly a "special purpose acquisition corporation" and therefore an issuer described in subsection (i)(1)(i) of Rule 144.

E. The Shareholder did not originally acquire the Shares with a view to, or for resale in connection with, any distribution thereof in violation of the Securities Act.

F. If the Shareholder is an investment fund, the Shareholder has established and maintains adequate controls and procedures to ensure that the Shares are transferred and/or sold only pursuant to: (i) an effective resale registration statement under the Securities Act registering the Shareholder's resale of the Shares, which includes a prospectus that is current, and in the manner contemplated by such registration statement, including the "Plan of Distribution" contained therein or (ii) an exemption from the registration requirements of the Securities Act. Such controls include, but are not limited to, procedures designed to identify, segregate, and control the Shares. Such controls and procedures are effective in all material respects to perform the functions for which they were established.

G. The Shareholder hereby covenants that:

1. The Shareholder will transfer the Shares only:

(a) pursuant to an effective resale registration statement under the Securities Act registering the Shareholder's resale of the Shares, which includes a prospectus that is current, and in the manner contemplated by such registration statement, including the "Plan of Distribution" contained therein, *provided* that the Shareholder has not received oral or written notice from the Company that use of the prospectus is suspended or that the prospectus otherwise may not, at such time, be used for transfers of the Shares; or

(b) in accordance with Rule 144, including the requirement of subsection (i)(2) of Rule 144 that the Company: (i) be then subject to the reporting requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended (the "***Exchange Act***"), and (ii) has filed all reports and other materials required to be filed by Section 13 or 15(d) of such Exchange Act, as applicable, during the preceding 12 months, other than Form 8-K reports; or

(c) pursuant to another exemption from the registration requirements of the Securities Act, *provided* that the Shareholder provides the Company with advance notice of such transfer and an opinion of counsel that the proposed transfer is exempt from the registration requirements of the Securities Act.

2. The Shareholder acknowledges and agrees that the Company is under no obligation to provide oral or written notice to the Shareholder regarding the availability of an exemption from registration pursuant to Rule 144, and the Shareholder shall be responsible for ensuring that any proposed transfers of the Shares in reliance upon Rule 144 comply with Rule 144, including without limitation subsection (i)(2) thereof. The Shareholder further acknowledges and agrees that Rule 144 may not be available as an exemption from registration for future transfers of Shares.

3. The Shareholder will provide the Company with any update to the Shareholder's contact information set forth on the signature page hereof for purposes of any notification to be delivered to the Shareholder relating hereto.

H. The Shareholder agrees that, in connection with the matters described above, the Company, Paul Hastings LLP, its legal counsel, and Computershare Investor Services, Inc., its transfer agent, may rely upon the statements, representations and warranties made herein, as if this letter had been addressed to them, for purposes of preparing and delivering any legal opinion(s) required in connection with the removal of the transfer restriction legends from the Shares and the Company's transfer agent is authorized to rely on this certificate in connection with the removal of the transfer restriction legends from the Shares. The Shareholder hereby agrees to indemnify and to hold harmless the Company, its officers, employees or representatives, its legal counsel and transfer agent (each an "***Indemnified Person***") from any liability for any breach of the foregoing representations and warranties and covenants (and the costs and expenses of defending against such liability or alleged liability); *provided* that in no event will an Indemnified Person be entitled to recover or make a claim for any amount in respect of consequential, incidental or indirect damages, lost profits or special or punitive damages.

[*Signature page follows*]

Very truly yours,

Name of Shareholder: _____

Signature: _____

Name of Signatory: _____

Title of Signatory: _____

Date: _____

Contact Name No. 1: _____

Phone Number: _____

Email: _____

Contact Name No. 2: _____

Phone Number: _____

Email: _____

[*Signature Page to Canopy Growth Corporation Legend Removal Certificate*]

Schedule I

Entity/Individual Legal Name	Registration Name	Tax Identification Number	Number of Shares	Share Certificate or Book Entry Information

SCHEDULE 2

CANOPY GROWTH CORPORATION

Security Holder Questionnaire

The undersigned beneficial owner of common shares, no par value ("**Common Shares**"), of Canopy Growth Corporation, a corporation existing under the federal laws of Canada (the "**Company**"), understands that the Company has filed or will file with the Securities and Exchange Commission (the "**Commission**") a registration statement (the "**Registration Statement**") on Form S-3 for the registration and resale under the Securities Act of 1933, as amended (the "**Securities Act**"), of the Common Shares issued to the undersigned pursuant to the Third Amendment to Tax Receivable Agreement (the "**Agreement**"), dated as of October 24, 2022 by and among High Street Capital Partners, LLC, Acreage Holdings America, Inc., Canopy USA, LLC, the members who constitute the Supermajority Member Approval that certain Tax Receivable Agreement, dated as of November 14, 2018, as amended, and the Company (the "**Registrable Securities**").

In order to sell or otherwise dispose of the Registrable Securities pursuant to the Registration Statement, you will be required to be named as a selling shareholder in the prospectus included in the Registration Statement and one or more supplements thereto (as so supplemented, the "**Prospectus**"), and deliver the Prospectus to purchasers of the Registrable Securities (including pursuant to Rule 172 under the Securities Act). Therefore, you must complete and deliver this questionnaire (the "**Questionnaire**") in order to be named as a selling shareholder in the Prospectus.

Certain legal consequences arise from being named as a selling shareholder in the Registration Statement and the related Prospectus. Accordingly, you are advised to consult your own counsel regarding the consequences of being named or not being named as a selling shareholder in the Registration Statement and the related Prospectus.

Please keep in mind that, throughout the Questionnaire, the "Company" refers to Canopy Growth Corporation, and "you" and "the undersigned" refer to you or the entity on whose behalf you are completing this Questionnaire. Capitalized terms used but not defined herein have the meanings given to them in the Agreement.

Please complete and return one copy of this Questionnaire to Shai Marshall (shaimarshall@paulhastings.com) of Paul Hastings LLP, the Company's outside corporate counsel.

If you have any questions concerning any part of this Questionnaire, please contact Shai Marshall by email.

The undersigned beneficial owner (the "**Selling Shareholder**") of Registrable Securities hereby elects to include certain of the Registrable Securities owned/acquired by it in the Registration Statement and the related Prospectus. The undersigned hereby provides the following information to the Company and represents and warrants that such information is complete and accurate:

QUESTIONNAIRE

1. Name.

(a) Full legal name of Selling Shareholder(s):

(b) Full legal name of registered holder(s) (if not the same as (a) above) through which the Company Securities are held:

(c) Full legal name of natural control person(s) (which means the natural person(s) who directly or indirectly alone or with others has power to vote or dispose of the Company Securities covered by this Questionnaire):

(d) Footnote for Selling Shareholders' table in Registration Statement (leave blank if you would like Paul Hastings LLP to draft based on the above information):

2. Beneficial Ownership of Registrable Securities:

(a) Total number of Common Shares beneficially owned as of [DATE] (including Common Shares that the undersigned has the right to acquire within 60 days, as specified in Rule 13d-3(d)(1) under the Exchange Act of 1934, as amended (the **"Exchange Act**")):

(b) Number of Common Shares that qualify as Registrable Securities under the Agreement to be registered pursuant to this Questionnaire for resale:

3. Broker-Dealer Status:

(a) Are you a broker-dealer?

Yes ☐ No ☐

(b) If "yes" to Item 3(a), did you receive your Registrable Securities as compensation for investment banking services to the Company?

Yes ☐ No ☐

Note: If "yes" to Item 3(b), the SEC's staff has indicated that you should be identified as an underwriter in the Registration Statement and related Prospectus.

(c) Are you an affiliate of a broker-dealer?

Yes ☐ No ☐

Note: If yes, provide a narrative explanation below:

_____

_____

_____

_____

(d) If you are an affiliate of a broker-dealer, do you certify that you purchased the Registrable Securities in the ordinary course of business, and at the time of the purchase of the Registrable Securities to be resold, you had no agreements or understandings, directly or indirectly, with any person to distribute the Registrable Securities?

Yes ☐ No ☐

Note: If "no" to Item 3(d), the SEC's staff has indicated that you should be identified as an underwriter in the Registration Statement.

4. Beneficial Ownership of Other Securities of the Company Owned by the Selling Shareholder.

Except as set forth above in Item 2, the undersigned is not the beneficial or registered owner of any other securities of the Company.

Correct ☐

Not correct ☐ If not correct, please explain below:

Type and amount of other securities of the Company beneficially owned by the Selling Shareholder as of [DATE]:

_____

_____

_____

5. Relationships with the Company:

Except as set forth below, neither the undersigned nor any of its affiliates, officers, directors or principal equity holders (owners of 5% of more of the equity securities of the undersigned) has held any position or office or has had any other material relationship with the Company (or its predecessors or affiliates) during the past three years.

State any exceptions here:

_____

_____

_____

_____

_____

6. Plan of Distribution:

The undersigned has reviewed the form of Plan of Distribution to be included in the Prospectus, a copy of which is attached hereto as Exhibit A, and hereby confirms that, except as set forth below, the information contained therein regarding the undersigned and its plan of distribution is correct and complete.

State any exceptions here:

_____

_____

_____

_____

_____

****

The answers to the foregoing questions are correctly stated to the knowledge of the undersigned. The undersigned agrees to promptly notify the Company of any inaccuracies or changes in the information provided herein that may occur subsequent to the date hereof and prior to the effective date of the Registration Statement. In absence of any such notification, the Company shall be entitled to continue to rely on the accuracy of the information in this Questionnaire.

The undersigned understands and acknowledges that the Company will rely on the information set forth herein for purposes of the preparation of the Prospectus. By signing below, the undersigned (i) consents to the disclosure of the information contained herein in the answers to Items 1 through 6 and the inclusion of such information in the Registration Statement and the related Prospectus and any amendments or supplements thereto and (ii) acknowledges the undersigned's obligation to comply, and agrees that it will comply, with the provisions of the Exchange Act and the rules and regulations thereunder, particularly Regulation M, in connection with any offering of Registrable Securities pursuant to the Registration Statement.

IN WITNESS WHEREOF the undersigned, by authority duly given, has caused this Questionnaire to be executed and delivered either in person or by its duly authorized agent.

Date: _____

Beneficial Owner:

_____
Signature

_____
Name (if securityholder is an entity)

_____
Title (if securityholder is an entity)

[*Signature Page to Selling Shareholder Questionnaire*]

Exhibit A to Schedule 2

PLAN OF DISTRIBUTION

We are registering the Shares to permit the resale of the Shares by the holders thereof from time to time after the date of this prospectus supplement. We will not receive any of the proceeds from the sale by the Selling Securityholders of the Shares. We will bear all fees and expenses incident to our obligation to register the Shares.

The Selling Securityholders may sell all or a portion of the Shares beneficially owned by them and offered hereby from time to time directly or through one or more underwriters, broker-dealers or agents. If the Shares are sold through underwriters or broker-dealers, the Selling Securityholders will be responsible for underwriting fees, discounts or commissions or agent's commissions. The Shares may be sold in one or more transactions at fixed prices, at prevailing market prices at the time of the sale, at varying prices determined at the time of sale, or at negotiated prices. The Selling Securityholders will act independently of us in making decisions with respect to the timing, manner and size of each sale. These sales may be effected in transactions, which may involve cross or block transactions. The Selling Securityholders may use one or more of the following methods when disposing of the Shares or interests therein:

- on any national securities exchange or quotation service on which the securities may be listed or quoted at the time of sale;
- in the over-the-counter market;
- in transactions otherwise than on these exchanges or systems or in the over-the-counter market;
- through the writing of options, whether such options are listed on an options exchange or otherwise;
- in ordinary brokerage transactions and transactions in which the broker-dealer solicits purchasers;
- in block trades in which the broker-dealer will attempt to sell the shares as agent but may position and resell a portion of the block as principal to facilitate the transaction;
- through purchases by a broker-dealer as principal and resale by the broker-dealer for its account;
- in an exchange distribution in accordance with the rules of the applicable exchange;
- in privately negotiated transactions;
- in short sales;
- through the distribution of the Shares by the Selling Securityholders to its partners, members or stockholders;
- through one or more underwritten offerings on a firm commitment or best efforts basis;
- in sales pursuant to Rule 144;
- whereby broker-dealers may agree with the Selling Securityholders to sell a specified number of such Shares at a stipulated price per share;
- in a combination of any such methods of sale; and
- in any other method permitted pursuant to applicable law.

If the Selling Securityholders effect such transactions by selling Shares to or through underwriters, broker-dealers or agents, such underwriters, broker-dealers or agents may receive commissions in the form of discounts, concessions or commissions from the Selling Securityholders or commissions from purchasers of the Shares for whom they may act as agent or to whom they may sell as principal (which discounts, concessions or commissions as to particular underwriters, broker-dealers or agents may be in excess of those customary in the types of transactions involved). In connection with sales of the Shares or otherwise, the Selling Securityholders may enter into hedging transactions with broker-dealers, which may in turn engage in short sales of the Shares in the course of hedging in positions they assume. The Selling Securityholders may also sell the Shares short and deliver Shares covered by this prospectus supplement to close out short positions and to return borrowed Common Shares in connection with such short sales. The Selling Securityholders may also loan or pledge Common Shares to broker-dealers that in turn may sell such Common Shares.

The Selling Securityholders may pledge or grant a security interest in some or all of the Common Shares owned by them and, if they default in the performance of their secured obligations, the pledgees or secured parties may offer and sell the Common Shares from time to time pursuant to this prospectus supplement or any amendment to this prospectus supplement under Rule 424(b)(3) or other applicable provision of the Securities Act amending, if necessary, the list of Selling Securityholders to include the pledgee, transferee or other successors in interest as Selling Securityholders under this prospectus supplement. The Selling Securityholders also may transfer and donate the Common Shares in other circumstances in which case the transferees, donees, pledgees or other successors in interest will be the selling beneficial owners for purposes of this prospectus supplement.

The Selling Securityholders, individually and not severally, and any broker-dealer participating in the distribution of the Shares may be deemed to be "underwriters" within the meaning of the Securities Act, and any commission paid, or any discounts or concessions allowed to, any such broker-dealer may be deemed to be underwriting commissions or discounts under the Securities Act. At the time a particular offering of the Shares is made, a prospectus supplement, if required, will be distributed which will set forth the aggregate amount of Shares being offered and the terms of the offering, including the name or names of any broker-dealers or agents, any discounts, commissions and other terms constituting compensation from the Selling Securityholders and any discounts, commissions or concessions allowed or reallowed or paid to broker-dealers. The Selling Securityholders may indemnify any broker-dealer that participates in transactions involving the sale of the Shares against certain liabilities, including liabilities arising under the Securities Act.

Under the securities laws of some states, the Shares may be sold in such states only through registered or licensed brokers or dealers. In addition, in some states, the Shares may not be sold unless such Shares have been registered or qualified for sale in such state or an exemption from registration or qualification is available and is complied with.

The aggregate proceeds to the Selling Securityholders from the sale of the Shares offered will be the purchase price of the Shares less discounts or commissions, if any. The Selling Securityholders reserve the right to accept and, together with their agents from time to time, to reject, in whole or in part, any proposed purchase of Shares to be made directly or through agents. There can be no assurance that any Selling Securityholders will sell any or all of the Shares registered hereunder.

The Selling Securityholders and any other person participating in such distribution will be subject to applicable provisions of the Exchange Act and the rules and regulations thereunder, including, without limitation, Regulation M of the Exchange Act, which may limit the timing of purchases and sales of any of the Shares by the Selling Securityholders and any other participating person. Regulation M may also restrict the ability of any person engaged in the distribution of the Shares to engage in market-making activities with respect to the Shares. All of the foregoing may affect the marketability of the Shares and the ability of any person or entity to engage in market-making activities with respect to the Shares.

We will pay all expenses of the registration of the Shares pursuant to the this Agreement, including, without limitation, SEC filing fees and expenses of compliance with state securities or "Blue Sky" laws; *provided*, *however*, that a Selling Securityholder will pay all underwriting fees, discounts or commissions attributable to the sale of the Shares or any legal fees and expenses of counsel to the Selling Securityholders, if any. We may be indemnified by the Selling Securityholders against certain liabilities, including certain liabilities under the Securities Act or the Exchange Act, that may arise from any written information furnished to us by the Selling Securityholder specifically for use in this prospectus supplement.

Once sold hereunder, the Shares will be freely tradable in the hands of persons other than our affiliates.

Exhibit B

TRA Payments

[***]

Exhibit C

Form of Assignment of Rights Agreement

(see attached)

Exhibit D

Irrevocable Waiver

(see attached)

Exhibit 10.5

FOURTH AMENDMENT TO
THIRD AMENDED AND RESTATED
LIMITED LIABILITY COMPANY AGREEMENT
OF HIGH STREET CAPITAL PARTNERS, LLC

THIS FOURTH AMENDMENT (this "Amendment") TO THIRD AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT OF HIGH STREET CAPITAL PARTNERS, LLC (the "Company") is made and entered into as of this 24th day of October, 2022, by and between the Manager and Acreage Holdings America, Inc. (the "Majority Member").

RECITALS

WHEREAS, the members of the Company (the "Members") originally entered into that certain Third Amended and Restated Limited Liability Company Agreement dated as of November 14, 2018, as amended by that certain First Amendment to Third Amended and Restated Limited Liability Company Agreement dated as of May 10, 2019, that certain Second Amendment to Third Amended and Restated Limited Liability Company Agreement dated as of June 27, 2019, and that certain Third Amendment to Third Amended and Restated Limited Liability Company Agreement dated as of September 23, 2020 (collectively the "LLC Agreement");

WHEREAS, Acreage Holdings, Inc., a corporation existing under the laws of the Province of British Columbia and the sole owner of the Manager and the Majority Member ("Acreage"), and Canopy Growth Corporation, a corporation existing under the laws of Canada ("Canopy"), are parties to that certain Arrangement Agreement dated as of April 18, 2019, as amended on May 15, 2019, September 23, 2020 and November 17, 2020 (the "Existing Arrangement Agreement");

WHEREAS, Acreage, Canopy and Canopy USA, LLC ("Canopy USA") desire to enter into a new arrangement agreement (the "Floating Share Arrangement Agreement") whereby Canopy USA will acquire all of the issued and outstanding Class D subordinate voting shares of Acreage (the "Floating Shares") (the "Proposed Transaction");

WHEREAS, the Manager and the Majority Member desire to cause the amendment of the LLC Agreement to, among other things, effect changes required by or in connection with the Proposed Transaction;

WHEREAS, pursuant to Section 16.03 of the LLC Agreement, the LLC Agreement may be amended by the consent of the Manager and Members holding a majority of the Common Units outstanding;

WHEREAS, the Majority Member holds approximately 80% of the outstanding Common Units of the Company;

WHEREAS, in accordance with Section 16.03 of the LLC Agreement the Majority Member and the Manager desire to amend the LLC Agreement as set forth herein; and

WHEREAS, except as specifically set forth in Section 3 of this Amendment, all other terms and conditions of the LLC Agreement remain in full force and effect.

NOW, THEREFORE, in consideration of the foregoing and the mutual promises contained herein, the parties hereto, intending to be legally bound, hereby agree as follows:

1. Recitals. The above recitals are hereby incorporated into the substantive provisions of this Amendment by reference hereto.

2. Definition. Capitalized terms used herein and not otherwise defined shall have the respective meanings set forth in the LLC Agreement.

3. Amendments to LLC Agreement. Effective immediately prior to the earlier to occur of the (i) Acquisition Effective Time (as defined in the Existing Arrangement Agreement), and (ii) Effective Time (as defined in the Floating Share Arrangement Agreement), the Fourth Amended and Restated Limited Liability Company Agreement of the Company, the form of which is attached hereto as Exhibit A, shall automatically amend and restate the LLC Agreement in its entirety, without any further action required by the Manager, the Majority Member or the Members.

4. Effect of this Amendment. Except as expressly amended by this Amendment, the LLC Agreement shall continue in full force and effect in accordance with the provisions thereof. All references in the LLC Agreement to "this Agreement" or words of similar import shall refer to the LLC Agreement as amended by this Amendment.

5. Governing Law. This Amendment shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to principles of conflicts of law.

6. Binding Effect. This Amendment shall inure to the benefit of and shall be legally binding upon the parties hereto and their respective successors, assigns, representatives and heirs.

7. Counterparts. This Amendment may be executed in any number of counterparts, each of which shall be deemed an original as against any party whose signature appears thereon but all of which shall constitute one and the same instrument. This Amendment may be executed and delivered by facsimile, .pdf or other form of electronic transmission, and any signature page delivered by facsimile, .pdf or other form of electronic transmission shall be effective for all purposes.

IN WITNESS WHEREOF, the undersigned have executed this Amendment as of the date first above written.

MANAGER:

ACREAGE HOLDINGS AMERICA, INC.

By: /s/ Kevin Murphy
Name: Kevin Murphy
Title: President

MAJORITY MEMBER:

ACREAGE HOLDINGS AMERICA, INC.

By: /s/ Kevin Murphy
Name: Kevin Murphy
Title: President

[signature page to Fourth Amendment to Third Amended and Restated Limited Liability Company Agreement of High Street Capital Partners]

EXHIBIT A

FOURTH AMENDED AND RESTATED
LIMITED LIABILITY COMPANY AGREEMENT

[See attached.]

FOURTH AMENDED AND RESTATED
LIMITED LIABILITY COMPANY AGREEMENT

OF

High Street Capital Partners, LLC, d/b/a Acreage Holdings
a Delaware limited liability company

Dated as of [_____]

THE SECURITIES REPRESENTED BY THIS LIMITED LIABILITY COMPANY AGREEMENT HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED, OR UNDER ANY OTHER APPLICABLE SECURITIES LAWS. SUCH SECURITIES MAY NOT BE OFFERED, SOLD, ASSIGNED, PLEDGED OR OTHERWISE DISPOSED OF AT ANY TIME WITHOUT EFFECTIVE REGISTRATION UNDER SUCH ACT AND LAWS OR EXEMPTION THEREFROM, AND COMPLIANCE WITH THE OTHER RESTRICTIONS ON TRANSFERABILITY SET FORTH HEREIN.

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Exhibits

FOURTH AMENDED AND RESTATED
LIMITED LIABILITY COMPANY AGREEMENT
OF
HIGH STREET CAPITAL PARTNERS, LLC, D/B/A ACREAGE HOLDINGS

This FOURTH AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT (this "***Agreement***"), dated as of [_____] (the "***Effective Time***"), is entered into by and among High Street Capital Partners, LLC, d/b/a Acreage Holdings, a Delaware limited liability company (the "***Company***"), and its Members (as defined herein).

WHEREAS, the Company was formed by the filing of the Certificate (as defined herein) with the Secretary of State of the State of Delaware pursuant to the Act (as defined herein) on April 29, 2014;

WHEREAS, the Company and its then Members entered into an original limited liability company agreement dated as of December 10, 2015, which was amended as of July 22, 2016;

WHEREAS, the Company and its then Members entered into an amended and restated limited liability company agreement dated as of March 24, 2017;

WHEREAS, the Company, the Managing Member and a Supermajority in Interest of the Members entered into that certain Second Amended and Restated Limited Liability Company Agreement dated as of April 27, 2018;

WHEREAS, the Company, the Manager and the Members entered into that certain Third Amended and Restated Limited Liability Company Agreement dated as of November 14, 2018, which was amended as of May 10, 2019, June 27, 2019 and September 23, 2020 (the "***Prior Operating Agreement***"); and

WHEREAS, pursuant to that certain arrangement agreement by and between Canopy Growth Corporation, a corporation existing under the laws of Canada ("***Pubco***"), and Acreage Holdings, Inc., a corporation existing under the laws of the Province of British Columbia ("***Acreage***"), dated as of April 18, 2019, as amended on May 15, 2019, September 23, 2020 and November 17, 2020 (the "***Arrangement Agreement***"), the Company, the Manager and the Members desire to amend and restate the Prior Operating Agreement in its entirety as set forth in this Agreement, the provisions of which shall become effective immediately prior to the Effective Time (as defined herein).

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

ARTICLE I.
DEFINITIONS

The following definitions shall be applied to the terms used in this Agreement for all purposes, unless otherwise clearly indicated to the contrary.

"***Acreage***" has the meaning set forth in the preamble to this Agreement.

"***Acreage Shares***" means the total number of common shares of Acreage, as authorized in the constating documents of Acreage.

"***Act***" means the Delaware Limited Liability Company Act, as amended from time to time, or any corresponding provision or provisions of any succeeding or successor law of the State of Delaware; *provided*, *however*, that any amendment to the Act, or any succeeding or successor law, is applicable to the Company only if the Company has elected to be governed by the Act as so amended or by such succeeding or successor law, as the case may be. The term "Act" shall refer to the Act as so amended or to such succeeding or successor law only after the appropriate election by the Company, if made, has become effective.

"***Additional Member***" has the meaning set forth in Section 12.02.

"***Adjusted Capital Account Deficit***" means with respect to the Capital Account of any Member as of the end of any Taxable Year, the amount by which the balance in such Capital Account is less than zero. For this purpose, such Member's Capital Account balance shall be:

(a) reduced for any items described in Treasury Regulation Section 1.704- 1(b)(2)(ii)(d)(4), (5), and (6); and

(b) increased for any amount such Member is obligated to contribute or is treated as being obligated to contribute to the Company pursuant to Treasury Regulation Section 1.704-1(b)(2)(ii)(c) (relating to partner liabilities to a partnership) or 1.704-2(g)(1) and 1.704-2(i) (relating to minimum gain).

"***Admission Date***" has the meaning set forth in Section 10.06.

"***Affiliate***" (and, with a correlative meaning, "***Affiliated***") means, with respect to a specified Person, each other Person that directly, or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with, the Person specified. As used in this definition, "control" (including with correlative meanings, "controlled by" and "under common control with") means possession, directly or indirectly, of power to direct or cause the direction of management or policies (whether through ownership of voting securities or by contract or other agreement).

"***Agreement***" has the meaning set forth in the preamble to this Agreement.

"***Amended Plan of Arrangement***" means the amended and restated plan of arrangement attached as Schedule A to the Amending Agreement.

"***Amending Agreement***" means that certain Second Amendment to the Arrangement Agreement dated as of September 23, 2020 between Acreage and Pubco.

"***Appraisers***" has the meaning set forth in Section 15.02.

"***Arrangement Agreement***" has the meaning set forth in the preamble to this Agreement.

"***Assignee***" means a Person to whom a Company Interest has been transferred but who has not become a Member pursuant to ARTICLE XII.

"***Assumed Tax Liability***" means, with respect to a Member, an amount equal to the Distribution Tax Rate multiplied by the actual taxable income of the Company, as determined for federal (and to the extent applicable state and local) income tax purposes, allocated to such Member pursuant to Section 5.05 for the applicable tax period to which the Assumed Tax Liability relates as reasonably determined for U.S. federal income tax purposes by the Manager; *provided* that such Assumed Tax Liability shall be reduced to take into account (i) adjustments to the tax basis of the Company's property pursuant to Code Sections 732, 734, 743 or similar provisions Code, (ii) 50% of all Deductible Losses arising in a taxable period (or portion thereof) ending before January 1, 2020, and 100% of all Deductible Losses arising in a taxable period (or portion thereof) beginning on or after January 1, 2020, in each case, previously allocated by the Company to any Class B Unitholder in respect of any interest in the Company (including, without limitation, Common Units) in excess of taxable income previously allocated by the Company to such Class B Unitholder in respect of any interest held in the Company (including, without limitation, Common Units) for all taxable periods (or portions thereof), and (iii) any other factor that would reduce the actual tax liabilities of such holder of a Class B Unit that are not otherwise described in this definition of "Assumed Tax Liability". If a Member is a member of a consolidated group for U.S. federal income tax purposes, then the Assumed Tax Liability with respect to such Member shall be determined in accordance with such Member's consolidated tax group.

"***Base Rate***" means, on any date, a variable rate per annum equal to the rate of interest most recently published by The Wall Street Journal as the "prime rate" at large U.S. money center banks.

"***Black-Out Period***" means any "black-out" or similar period under Acreage's or Pubco's policies covering trading in Acreage's or Pubco's securities to which the applicable Redeeming Member is subject, which period restricts the ability of such Redeeming Member to immediately resell the Acreage Shares or Pubco Shares to be delivered to such Redeeming Member in connection with a Share Settlement.

"***Book Value***" means, with respect to any Company property, the Company's adjusted basis for U.S. federal income tax purposes, adjusted from time to time to reflect the adjustments required or permitted by Treasury Regulation Section 1.704-1(b)(2)(iv)(d)-(g).

"***Breaching Member***" has the meaning set forth in Section 13.02(d).

"***Business Day***" means any day other than a Saturday or a Sunday or a day on which the principal securities exchange on which the Pubco Shares are traded or quoted is closed or banks located in Toronto, Ontario, Canada or New York, New York generally are authorized or required by Law to close.

"***Canopy USA***" means Canopy USA, LLC, a limited liability company existing under the laws of the State of Delaware, together with its successors and assigns.

"***Capital Account***" means the capital account maintained for a Member in accordance with Section 5.01.

"***Capital Contribution***" means, with respect to any Member, the amount of any cash, cash equivalents, promissory obligations or the Fair Market Value of other property that such Member contributes (or is deemed to contribute) to the Company pursuant to ARTICLE III hereof.

"***Certificate***" means the Certificate of Formation of the Company filed with the Secretary of State of the State of Delaware in accordance with the Act, as such Certificate may be amended from time to time in accordance with the Act.

"***Cash Settlement***" means immediately available funds in U.S. dollars in an amount equal to the Redeemed Units Equivalent.

"***Class A Units***" has the meaning set forth in Section 3.02.

"***Class A Unitholder***" means a Member who is the registered holder of Class A Units.

"***Class B Exchange Ratio***" has the meaning of the term "Exchange Ratio" as set forth in the Amended Plan of Arrangement.

"***Class B Fixed Cash Settlement***" means immediately available funds in U.S. dollars in an amount equal to the Class B Fixed Redeemed Units Equivalent.

"***Class B Fixed Redeemed Units Equivalent***" means the product of (a) the Class B Fixed Share Settlement and (b) the Class B Unit Redemption Price.

"***Class B Fixed Share Settlement***" means a number of Pubco Shares equal to (x) the number of Redeemed Units multiplied by 0.7, multiplied by (y) the Class B Exchange Ratio. If the Pubco Shares are no longer traded on a securities exchange or automated or electronic quotation system, then the Manager shall determine the Class B Fixed Share Settlement in good faith.

"***Class B Fixed Units***" means the Class B Units which are convertible into Pubco Shares pursuant to the provisions of this Agreement.

"***Class B Floating Cash Settlement***" means immediately available funds in U.S. dollars in an amount equal to the Class B Floating Redeemed Units Equivalent.

"***Class B Floating Ratio***" has the meaning of the term "Exchange Ratio" as set forth in the Floating Share Plan of Arrangement.

"***Class B Floating Redeemed Units Equivalent***" means the product of (a) the Class B Floating Share Settlement and (b) the Class B Floating Share Redemption Price.

"***Class B Floating Share Redemption Price***" means either (i) in the event that Canopy USA has completed the Floating Share Acquisition, the volume weighted average price for a Pubco Share on the principal securities exchange on which the Pubco Shares are traded or quoted, as reported by Bloomberg, L.P., or its successor, for each of the five (5) consecutive full Trading Days ending on and including the last full Trading Day immediately prior to the Redemption Date, subject to appropriate and equitable adjustment for any stock splits, reverse splits, stock dividends or similar events affecting the Pubco Shares; or (ii) in the event that Canopy USA has not completed the Floating Share Acquisition, the volume weighted average price for an Acreage Share on the principal securities exchange on which the Acreage Shares are traded or quoted, as reported by Bloomberg, L.P., or its successor, for each of the thirty (30) consecutive full Trading Days ending on and including the last full Trading Day immediately prior to the Redemption Date, subject to appropriate and equitable adjustment for any stock splits, reverse splits, stock dividends or similar events affecting the Acreage Shares. If the Pubco Shares or the Acreage Shares no longer trade on a securities exchange or automated or electronic quotation system, then the Manager shall determine the Class B Floating Share Redemption Price in good faith.

"***Class B Floating Share Settlement***" means either (i) in the event that Canopy USA has completed the Floating Share Acquisition, a number of Pubco Shares equal to (x) the number of Redeemed Units multiplied by 0.3, multiplied by (y) the Class B Floating Ratio; or (ii) in the event that Canopy USA has not completed the Floating Share Acquisition, a number of Acreage Shares equal to the number of Redeemed Units multiplied by 0.3. If the Pubco Shares or the Acreage Shares are no longer traded on a securities exchange or automated or electronic quotation system, then the Manager shall determine the Class B Floating Share Settlement in good faith.

"***Class B Floating Shares***" means the Class D subordinate voting shares of Acreage created pursuant to the Amended Plan of Arrangement, each entitling the holder to one vote per share at shareholder meetings of Acreage, and any capital securities into which they may be converted.

"***Class B Floating Units***" means the Class B Units which are convertible into the Class B Floating Shares.

"***Class B FMV***" means the volume weighted average price for a Pubco Share on the principal securities exchange on which the Pubco Shares are traded or quoted, as reported by Bloomberg, L.P., or its successor, for each of the five (5) consecutive full Trading Days ending on and including the last full Trading Day immediately prior to the Effective Time, subject to appropriate and equitable adjustment for any stock splits, reverse splits, stock dividends or similar events affecting the Pubco Shares. If the Pubco Shares no longer trade on a securities exchange or automated or electronic quotation system, then the Manager shall determine the Class B FMV in good faith.

"***Class B Option Consideration***" has the meaning set forth in Section 3.02(b).

"***Class B Preferred Return Base Amount***" means the Class B FMV relating to a Class B Unitholder's Company Interest in the Company immediately prior to the Effective Time; provided, however, that for these purposes, the Class B FMV shall assume that the Class B Unitholders immediately before the Effective Time converted all of their Units in the Company pursuant to the terms of this Agreement (and to the extent that any such Class B Unitholders were previously Class C-1 Unitholders, that such Class C-1 Unitholders converted first to Common Units pursuant to the Prior Operating Agreement and then immediately converted to Pubco Shares and, if applicable, Acreage Shares).

"***Class B Preferred Return Amount***" means a preferred return equal to the Secured Overnight Financing Rate as published on the date of the Effective Time multiplied by the Class B Preferred Return Base Amount.

"***Class B Share Option***" has the meaning set forth in Section 11.06.

"***Class B Unit Redemption Price***" means the volume weighted average price for a Pubco Share on the principal securities exchange on which the Pubco Shares are traded or quoted, as reported by Bloomberg, L.P., or its successor, for each of the five (5) consecutive full Trading Days ending on and including the last full Trading Day immediately prior to the Redemption Date, subject to appropriate and equitable adjustment for any stock splits, reverse splits, stock dividends or similar events affecting the Pubco Shares. If the Pubco Shares no longer trade on a securities exchange or automated or electronic quotation system, then the Manager shall determine the Class B Unit Redemption Price in good faith.

"***Class B Units***" means, collectively, the Class B Fixed Units and the Class B Floating Units.

"***Class B Unitholder***" means a Member who is the registered holder of Class B Units.

"***Class C-1 Units***" means the Class C-1 Membership Units as defined in the Prior Operating Agreement, which for the avoidance of doubt shall cease to exist at the Effective Time.

"***Class C-1 Unitholder***" means a Member who was the registered holder of Class C-1 Units under the Prior Operating Agreement.

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

"***Common Unit***" means a Unit representing a fractional part of the Company Interests of the Members having the rights and obligations specified with respect to the Common Units in the Prior Operating Agreement (other than Class C-1 Units), which for the avoidance of doubt shall cease to exist at the Effective Time.

"***Company***" has the meaning set forth in the preamble to this Agreement.

"***Company Interest***" means the interest of a Member in Profits, Losses and Distributions.

"***Confidential Information***" has the meaning set forth in Section 16.02.

"***Contribution Notice***" has the meaning set forth in Section 11.01(b).

"***CSE***" means the Canadian Securities Exchange, including any governmental body or agency succeeding to the functions thereof.

"***Deductible Losses***" means taxable losses of the Company that are generally deductible by a taxpayer subject to U.S. federal income taxation, but without regard to such taxpayer's particular circumstances.

"***Direct Exchange***" has the meaning set forth in Section 11.03(a).

"***Discount***" has the meaning set forth in Section 6.06.

"***Distributable Cash***" shall mean, as of any relevant date on which a determination is being made by the Manager regarding a potential Distribution pursuant to Section 4.01(a), the amount of cash and cash equivalents held by the Company, less such cash reserves as the Manager determines are necessary to pay on a timely basis Company costs and expenses, including operating costs and expenses, taxes, debt service, capital expenditures and other obligations of the Company, taking into account the anticipated revenues of the Company.

"***Distribution***" (and, with a correlative meaning, "***Distribute***") means each distribution made by the Company to a Member with respect to such Member's Units, whether in cash, property or securities of the Company and whether by liquidating distribution or otherwise; *provided, however*, that none of the following shall be a Distribution: (a) any recapitalization that does not result in the distribution of cash or property to Members or any exchange of securities of the Company, and any subdivision (by Unit split or otherwise) or any combination (by reverse Unit split or otherwise) of any outstanding Units or (b) any other payment made by the Company to a Member that is not properly treated as a "distribution" for purposes of Sections 731, 732, or 733 or other applicable provisions of the Code.

"***Distribution Tax Rate***" shall mean the actual combined effective federal, state and local tax rate applicable to individuals resident in San Francisco, California, in each case taking into account, without limitation, (a) the character of income allocated on the Class B Units and (b) deductibility of state and local taxes, to the extent actually deductible (including taking into account the impact of the "alternative minimum tax").

"***Effective Time***" has the meaning set forth in the preamble to this Agreement.

"***Equity Plan***" means any option, stock, unit, stock unit, appreciation right, phantom equity or other incentive equity or equity-based compensation plan or program, in each case, now or hereafter adopted by Pubco.

"***Equity Securities***" means (a) Units or other equity interests in the Company or any Subsidiary of the Company (including other classes or groups thereof having such relative rights, powers and duties as may from time to time be established by the Manager pursuant to the provisions of this Agreement, including rights, powers and/or duties senior to existing classes and groups of Units and other equity interests in the Company or any Subsidiary of the Company), (b) obligations, evidences of indebtedness or other securities or interests convertible or exchangeable into Units or other equity interests in the Company or any Subsidiary of the Company, and (c) warrants, options or other rights to purchase or otherwise acquire Units or other equity interests in the Company or any Subsidiary of the Company.

"***Event of Withdrawal***" means the expulsion, bankruptcy or dissolution of a Member or the occurrence of any other event that terminates the continued membership of a Member in the Company. "Event of Withdrawal" shall not include an event that (a) terminates the existence of a Member for income tax purposes (including (i) a change in entity classification of a Member under Treasury Regulations Section 301.7701-3, (ii) a sale of assets by, or liquidation of, a Member pursuant to an election under Code Sections 336 or 338, or (iii) merger, severance, or allocation within a trust or among sub-trusts of a trust that is a Member) but that (b) does not terminate the existence of such Member under applicable state law (or, in the case of a trust that is a Member, does not terminate the trusteeship of the fiduciaries under such trust with respect to all the Company Interests of such trust that is a Member).

"***Exchange Act***" means the Securities and Exchange Act of 1934, as may be amended from time to

time.

"***Exchange Election Notice***" has the meaning set forth in Section 11.03(b).

"***Fair Market Value***" means, with respect to any asset, its fair market value determined according to Article XV.

"***Fiscal Period***" means any interim accounting period within a Taxable Year established by the Company and which is permitted or required by Section 706 of the Code.

"***Fiscal Year***" means the Company's annual accounting period established pursuant to Section 8.02.

"***Floating Share Acquisition***" has the meaning set forth in Section 11.01(b)(i).

"***Floating Share Arrangement Agreement***" means that certain Arrangement Agreement between Pubco, Canopy USA and Acreage dated _____, 2022.

"***Floating Share Plan of Arrangement***" means the plan of arrangement attached as Schedule A to the Floating Share Arrangement Agreement.

"***Governmental Entity***" means (a) the United States of America, (b) any other sovereign nation, (c) any state, province, district, territory or other political subdivision of (a) or (b) of this definition, including any county, municipal or other local subdivision of the foregoing, or (d) any entity exercising executive, legislative, judicial, regulatory or administrative functions of government on behalf of (a), (b) or (c) of this definition.

"***Gross Asset Value***" means, with respect to any asset of the Company, such asset's adjusted basis for federal income tax purposes except as follows:

(a) the initial Gross Asset Value of (i) the assets contributed by each Member to the Company prior to the date hereof is the gross fair market value (as defined in Treasury Regulation section 1.704-1(b)(2)(iv)(h)) of such contributed assets as indicated in the books and records of the Company as of the date hereof; and (ii) any asset hereafter contributed by a Member, other than money, is the gross fair market value (as defined in Treasury Regulation section 1.704-1(b)(2)(iv)(h)) thereof as agreed to by the Manager and the contributing party;

(b) if the Manager reasonably determines that an adjustment is necessary or appropriate to reflect the relative economic interests of the Members, the Gross Asset Values of the Company assets shall be adjusted to equal their respective gross fair market values, as reasonably determined by the Manager, as of the following times:

(i) a Capital Contribution (other than a *de minimis* Capital Contribution) to the Company by a new or existing Member as consideration for Units;

(ii) the distribution by the Company to a Member of more than a *de minimis* amount of Company property as consideration for the redemption of Units;

(iii) the liquidation of the Company within the meaning of Treasury Regulation section 1.704-

1(b)(2)(ii)(g);

(iv) the issuance of any interests in the Company as consideration for the provision of services to or for the benefit of the Company; and

(v) the issuance by the Company of a non-compensatory option (other than an option for a *de minimis* membership interest);

(c) the Gross Asset Values of the Company assets distributed to any Member shall be the gross fair market value (as defined in Treasury Regulations section 1.704-1(b)(2)(iv)(h)) of such assets (taking Code Section 7701(g) into account) as reasonably determined by the Manager as of the date of distribution; and

(d) the Gross Asset Values of the Company assets shall be increased (or decreased) to reflect any adjustments to the adjusted basis of such assets pursuant to Code Sections 734(b) or 743(b), but only to the extent that such adjustments are taken into account in determining Capital Accounts pursuant to Treasury Regulation section 1.704-1(b)(2)(iv)(m); *provided, however*, that Gross Asset Values shall not be adjusted pursuant to this paragraph (d) to the extent that the Manager reasonably determines that an adjustment pursuant to paragraph (b) above is necessary or appropriate in connection with a transaction that would otherwise result in an adjustment pursuant to this paragraph (d).

At all times, the Gross Asset Values shall be adjusted by any depreciation taken into account with respect to the Company's assets for purposes of computing Net Profit and Net Loss. Any adjustment to the Gross Asset Value of Company property shall require an adjustment in the Company's Capital Accounts, which shall be allocated in accordance with the provisions of this Agreement.

"***IFRS***" means International Financial Reporting Standards, as issued by the International Accounting Standards Board.

"***Indemnified Person***" has the meaning set forth in Section 7.04(a).

"***Indicted/Investigated Member***" has the meaning set forth in Section 13.02(b).

"***Investment Company Act***" means the U.S. Investment Company Act of 1940, as amended from time to time.

"***Joinder***" means a joinder to this Agreement, in form and substance substantially similar to Exhibit A to this Agreement.

"***Law***" means all laws, statutes, ordinances, rules and regulations of the United States, any foreign country and each state, commonwealth, city, county, municipality, regulatory body, agency or other political subdivision thereof.

"***Losses***" means items of Company loss or deduction determined according to Section 5.01(b).

"***Manager***" has the meaning set forth in Section 6.01(a).

"***Member***" means, as of any date of determination, (a) each Person named on the Schedule of Members and (b) any Person admitted to the Company as a Substituted Member or Additional Member in accordance with ARTICLE XII, but in each case only so long as such Person is shown on the Company's books and records as the owner of one or more Units.

"***Minimum Gain***" means "partnership minimum gain" determined pursuant to Treasury Regulation Section 1.704-2(d).

"***Misrepresenting Member***" has the meaning set forth in Section 13.02(d).

"***Net Loss***" means, with respect to a Fiscal Year, the excess if any, of Losses for such Fiscal Year over Profits for such Fiscal Year (excluding Profits and Losses specially allocated pursuant to Section 5.03 and Section 5.04).

"***Net Profit***" means, with respect to a Fiscal Year, the excess if any, of Profits for such Fiscal Year over Losses for such Fiscal Year (excluding Profits and Losses specially allocated pursuant to Section 5.03 and Section 5.04).

"***Officer***" has the meaning set forth in Section 6.01(b).

"***Other Agreements***" has the meaning set forth in Section 10.04.

"***Partnership Representative***" has the meaning set forth in Section 9.03.

"***Percentage Interest***" means the fraction, expressed as a percentage, the numerator of which is the sum of such Member's Class A Units and Class B Units, and the denominator of which is the sum of the total number of Class A Units and Class B Units issued and outstanding at such time.

"***Permitted Transfer***" has the meaning set forth in Section 10.02.

"***Person***" means an individual or any corporation, partnership, limited liability company, trust, unincorporated organization, association, joint venture or any other organization or entity, whether or not a legal entity.

"***Prior Operating Agreement***" has the meaning set forth in the preamble to this Agreement.

"***Pro rata***," "***pro rata portion***," "***according to their interests***," "***ratably***," "***proportionately***," "***proportional***," "***in proportion to***," "***based on the number of Units held***," "***based upon the percentage of Units held***," "***based upon the number of Units outstanding***," and other terms with similar meanings, when used in the context of a number of Units of the Company relative to other Units, means as amongst an individual class of Units, pro rata based upon the number of such Units within such class of Units.

"***Profits***" means items of Company income and gain determined according to Section 5.01(b).

"***Pubco***" has the meaning set forth in the preamble to this Agreement, together with its successors and assigns.

"***Pubco Fixed Share Option***" has the meaning set forth in Section 11.06.

"***Pubco Shares***" means the common shares of Pubco, as authorized in the constating documents of Pubco.

"***Quarterly Redemption Date***" means, for each quarter beginning with the first full quarter following the Effective Time, the latest to occur of either: (a) the second (2^{nd}) Business Day after the date on which Pubco makes a public news release of its quarterly earnings for the prior quarter, (b) the first (1^{st}) day of each quarter on which directors and executive officers of Pubco are permitted to trade under the applicable policies of Pubco related to trading by directors and executive officers, or (c) such other date as Pubco shall determine in its sole discretion. Pursuant to the Support Agreements, Pubco will deliver notice of the Quarterly Exchange Date to each Member (other than USCo and USCo2) at least seventy-five (75) days prior to each Quarterly Redemption Date.

"***Recapitalization***" means a recapitalization of the Company, as described in Section 3.03(a) hereof.

"***Redeemed Units***" has the meaning set forth in Section 11.01(a)(ii).

"***Redeemed Units Equivalent***" means the sum of (x) the Class B Fixed Share Settlement multiplied by the Class B Unit Redemption Price, plus (y) the Class B Floating Share Settlement multiplied by the Class B Floating Share Redemption Price.

"***Redeeming Member***" has the meaning set forth in Section 11.01(a)(ii).

"***Redemption***" has the meaning set forth in Section 11.01(a)(ii).

"***Redemption Date***" has the meaning set forth in Section 11.01(a)(ii).

"***Redemption Notice***" has the meaning set forth in Section 11.01(a)(ii).

"***Redemption Right***" has the meaning set forth in Section 11.01(a)(ii).

"***Regulatory Adverse Member***" has the meaning set forth in Section 13.02(d).

"***Regulatory Allocations***" has the meaning set forth in Section 5.03(f).

"***Required Withdrawal***" has the meaning set forth in Section 13.02(e).

"***Restricted Taxable Year***" shall mean any Taxable Year during which the Manager determines the Company does not satisfy the private placement safe harbor of Treasury Regulations Section 1.7704-1(h). Unless the Manager otherwise notifies the Members prior to the commencement of a Taxable Year, each Taxable Year of the Company shall be a Restricted Taxable Year. For the avoidance of doubt, the provisions herein referencing, or otherwise becoming effective during, a Restricted Taxable Year shall be for purposes of avoiding the classification of the Company for U.S. federal income tax purposes as a "publicly traded partnership" within the meaning of Section 7704(b) of the Code.

"***Schedule of Members***" has the meaning set forth in Section 3.01(b).

"***Secured Overnight Financing Rate***" means the Secured Overnight Financing Rate (SOFR) published each Business Day by the Federal Reserve Bank of New York.

"***Securities Act***" means the U.S. Securities Act of 1933, as amended, and applicable rules and regulations thereunder, and any successor to such statute, rules or regulations. Any reference herein to a specific section, rule or regulation of the Securities Act shall be deemed to include any corresponding provisions of future Law.

"***Share Settlement***" means a number of Pubco Shares equal to (x) the Class B Fixed Share Settlement, plus (y) the Class B Floating Share Settlement multiplied by the Class B Floating Ratio. If the Pubco Shares are no longer traded on a securities exchange or automated or electronic quotation system, then the Manager shall determine the Share Settlement in good faith.

"***Sponsor Person***" has the meaning set forth in Section 7.04(d).

"***Subject Member***" has the meaning set forth in Section 13.02(a).

"***Subsidiary***" means, with respect to any Person, any corporation, limited liability company, partnership, association or business entity of which (a) if a corporation, a majority of the total voting power of shares of stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, Managers or trustees thereof is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person or a combination thereof, or (b) if a limited liability company, partnership, association or other business entity (other than a corporation), a majority of the voting interests thereof are at the time owned or controlled, directly or indirectly, by any Person or one or more Subsidiaries of that Person or a combination thereof. For purposes hereof, references to a "Subsidiary" of the Company shall be given effect only at such times that the Company has one or more Subsidiaries, and, unless otherwise indicated, the term "Subsidiary" refers to a Subsidiary of the Company.

"***Substituted Member***" means a Person that is admitted as a Member to the Company pursuant to Section 12.01.

"***Support Agreements***" means collectively, (i) that certain support agreement by and between Acreage, USCo and the Company dated as of November 14, 2018, as amended from time to time, and (ii) that certain support agreement by and between Acreage and USCo2 dated as of November 14, 2018, as amended from time to time.

"***Tax Distribution Date***" has the meaning set forth in Section 4.01(b)(i).

"***Tax Distributions***" has the meaning set forth in Section 4.01(b)(i).

"***Tax Receivable Agreement***" means that certain Tax Receivable Agreement, dated as November 14, 2018, which was amended as of June 27, 2019, by and among USCo, the Company, and those certain Members which are party thereto (including pursuant to consent or joinder thereto).

"***Taxable Year***" means the Company's accounting period for U.S. federal income tax purposes determined pursuant to Section 9.02.

"***Trading Day***" means a day on which the principal securities exchange on which either the Acreage Shares or Pubco Shares, as applicable, are traded or quoted is open for the transaction of business (unless such trading shall have been suspended for the entire day).

"***Transfer***" (and, with a correlative meaning, "***Transferring***") means any sale, transfer, assignment, pledge, encumbrance or other disposition of (whether directly or indirectly, whether with or without consideration and whether voluntarily or involuntarily or by operation of Law) (a) any interest (legal or beneficial) in any Equity Securities or (b) any equity or other interest (legal or beneficial) in any Member if substantially all of the assets of such Member consist solely of Units.

"***Treasury Regulations***" means the income tax regulations promulgated under the Code and any corresponding provisions of succeeding regulations.

"***Unit***" means a Company Interest of a Member or a permitted Assignee in the Company representing a fractional part of the Company Interests of all Members and Assignees as may be established by the Manager from time to time in accordance with Section 3.02; *provided, however*, that any class or group of Units issued shall have the relative rights, powers and duties set forth in this Agreement, and the Company Interest represented by such class or group of Units shall be determined in accordance with such relative rights, powers and duties.

"***Unitholder***" means a Member who is the registered holder of either Class A Units or Class B Units and any Member who is the registered holder of any other class of Units, if any.

"***Unvested Corporate Shares***" means Pubco Shares issued pursuant to an Equity Plan that are not Vested Corporate Shares.

"***USCo***" means Acreage Holdings America, Inc., a Nevada corporation.

"***USCo Common Shares***" means voting common shares of USCo.

"***USCo2***" means Acreage Holdings WC, Inc., a Nevada corporation.

"***USCo2 Articles***" means the Second Amended and Restated Articles of Incorporation of USCo2, dated on or about the Effective Time, as the same may be amended or modified from time to time.

"***USCo2 Class A Shares***" means class A voting common shares of USCo2.

"***USCo2 Class B Shares***" means class B non-voting common shares of USCo2.

"***Vested Corporate Shares***" means Pubco Shares issued pursuant to an Equity Plan that are vested pursuant to the terms thereof or any award or similar agreement relating thereto.

ARTICLE II.
ORGANIZATIONAL MATTERS

Section 2.01 Formation of Company. The Company was formed on April 29, 2014 pursuant to the provisions of the Act.

Section 2.02 Fourth Amended and Restated Limited Liability Company Agreement. The Members and the Manager hereby execute this Agreement, effective as of the Effective Time, for the purpose of establishing the affairs of the Company and the conduct of its business in accordance with the provisions of the Act. The Members hereby agree that during the term of the Company set forth in Section 2.06, the rights and obligations of the Members with respect to the Company will be determined in accordance with the terms and conditions of this Agreement and the Act. On any matter upon which this Agreement is silent, the Act shall control. No provision of this Agreement shall be in violation of the Act and to the extent any provision of this Agreement is in violation of the Act, such provision shall be void and of no effect to the extent of such violation without affecting the validity of the other provisions of this Agreement; *provided, however*, that where the Act provides that a provision of the Act shall apply "unless otherwise provided in the operating agreement" or words of similar effect, the provisions of this Agreement shall in each instance control.

Section 2.03 Name. The name of the Company shall be "High Street Capital Partners, LLC", d/b/a Acreage Holdings. The Manager in its sole discretion may change the name of the Company at any time and from time to time. Notification of any such change shall be given to all of the Members and, to the extent practicable, to all of the holders of any Equity Securities then outstanding. The Company's business may be conducted under its name and/or any other name or names deemed advisable by the Manager.

Section 2.04 Purpose. The principal purpose of the Company is to operate in the legal cannabis sector, which includes making and holding investments in equity and debt securities of cannabis related businesses, and operating cultivation, processing and dispensing activities with respect to cannabis products. The Company may engage in any lawful business, purpose or activity for which limited liability companies may be formed under the Act, whether incident to the foregoing purpose or otherwise. The Company shall have all the powers necessary or convenient to effect any purpose for which it was formed, including all powers granted by the Act.

Section 2.05 Principal Office; Registered Agent. The principal office of the Company shall be located at 366 Madison Avenue, 11th Fl., New York, New York 10017, or such other place as the Manager may, in its sole and absolute discretion, from time to time designate. The registered agent for service of process on the Company in the State of Delaware, and the address of such agent, shall be The Corporation Trust Company, Corporation Trust Center, 1209 Orange Street, Wilmington, New Castle County, Delaware 19801. The Manager may from time to time change the Company's registered agent in the State of Delaware.

Section 2.06 Term. The term of the Company commenced upon the filing of the Certificate in accordance with the Act and shall continue in existence in perpetuity until termination and dissolution of the Company in accordance with this Agreement and the Act.

Section 2.07 No State-Law Partnership. The Members intend that the Company not be a partnership (including a limited partnership) or joint venture, and that no Member be a partner or joint venturer of any other Member by virtue of this Agreement, for any purposes other than as set forth in the last sentence of this Section 2.07, and neither this Agreement nor any other document entered into by the Company or any Member relating to the subject matter hereof shall be construed to suggest otherwise. The Members intend that the Company shall be treated as a partnership for U.S. federal and, if applicable, state or local income tax purposes, and that each Member and the Company shall file all tax returns and shall otherwise take all tax and financial reporting positions in a manner consistent with such treatment.

ARTICLE III.
MEMBERS; UNITS; CAPITALIZATION

Section 3.01 Members.

(a) Each Member was previously admitted as a Member of the Company and, except to the extent such Members contribute their Units to USCo following the Effective Time, shall remain a Member of the Company following the Effective Time.

(b) The Company shall maintain a schedule setting forth: (i) the name and address of each Member; (ii) the aggregate number of outstanding Units and the number and class of Units held by each Member; (iii) the aggregate amount of cash Capital Contributions that has been made by the Members with respect to their Units; and (iv) the Fair Market Value of any property other than cash contributed by the Members with respect to their Units (including, if applicable, a description and the amount of any liability assumed by the Company or to which contributed property is subject) (such schedule, the "***Schedule of Members***"). Upon any change in the number or ownership of outstanding Units (whether upon an issuance of Units, a Transfer of Units, a redemption or exchange of Units or otherwise), the Manager is authorized to amend and update the Schedule of Members. The Schedule of Members shall be the definitive record of ownership of each Unit of the Company and all relevant information with respect to each Member. Any reference in this Agreement to the Schedule of Members shall be deemed a reference to the Schedule of Members as amended and as in effect from time to time. The Company shall be entitled to recognize the exclusive right of a Person registered on its records as the owner of Units for all purposes and shall not be bound to recognize any equitable or other claim to or interest in Units on the part of any other Person, whether or not it shall have express or other notice thereof, except as otherwise provided by the Act.

(c) No Member shall be required or, except as approved by the Manager pursuant to Section 6.01 and in accordance with the other provisions of this Agreement, permitted to loan any money or property to the Company or borrow any money or property from the Company.

Section 3.02 Units. Interests in the Company shall be represented by Units, or such other Equity Securities of the Company, in each case as the Manager may establish in its discretion in accordance with the terms and subject to the restrictions hereof. Immediately after the Effective Time, the Units will be comprised of two classes of Units, including Class A Units (the "***Class A Units***") and Class B Units. In the event any Member holds Class C-1 Units immediately prior to the Effective Time, such Class C-1 Units shall be deemed to have automatically converted at such time into Common Units pursuant to the Prior Operating Agreement and such Member shall be issued Class B Units in place of such Common Units immediately after the Effective Time. To the extent required pursuant to Section 3.04(a), and except in connection with the issuance of Units pursuant to an acquisition in accordance with Section 3.10, the Manager may create one or more classes or series of common Units or preferred Units solely to the extent they are in the aggregate substantially equivalent to a class of common shares of Pubco or class or series of preferred shares of Pubco.

(a) *Class A Units*. In addition to the other rights and obligations of Class A Unitholders hereunder, Class A Units shall entitle the holder of such Class A Units to (i) vote in all matters reserved to the Members by this Agreement or the Act, and (ii) to share in all Distributions from the Company, other than with respect to the Class B Units, as set forth herein.

(b) *Class B Units*. Class B Unitholders shall not be entitled to vote in any matters relating to the Company, unless otherwise reserved to the Members by the Act. In addition to the other rights and obligations of Class B Unitholders hereunder, Class B Units shall entitle the holder of such Class B Units to (i) Tax Distributions pursuant to Section 4.01(b), and (ii) a preferred return equal to the Class B Preferred Return Amount. The Class B Preferred Return Amount shall not be required to be paid annually but shall accrue and become payable at the earlier of (x) the fifth (5^{th}) anniversary of the Effective Time, or (y) a liquidation of, or a taxable sale of substantially all of the assets of, the Company. Upon the occurrence of an event referenced in clause (y) above, each Class B Unitholder shall also be paid such Class B Unitholder's Class B Preferred Return Base Amount, in addition to all of the outstanding, accrued and unpaid Class B Preferred Return Amount. On the seventh (7th) anniversary of the Effective Time, each Class B Unitholder may, at its option and in accordance with the notice and other procedural provisions set forth in Section 11.01(a) (the "***7 Year Put Option***"), sell all (but not less than all) of its Class B Units to the Company for an amount equal to such Class B Unitholder's Class B Preferred Return Base Amount plus any outstanding and accrued Class B Preferred Return Amount of such Class B Unitholder (the "***Class B Option Consideration***") and, upon the exercise of the 7 Year Put Option by any Class B Unitholder, the Company shall purchase all of such holder's Class B Units for the Class B Option Consideration. Notwithstanding anything herein to the contrary, no Class B Preferred Return Amount shall be due and payable with respect to such Class B Units pursuant this Section 3.02(b) at such time or times specified in this Section 3.02(b) unless such Class B Units remain issued and outstanding at such time or times and no Redemption or Direct Exchange of such Class B Units described in Article XI hereof has occurred.

(c) *Holders of USCo2 Class B Shares*. It is hereby understood and acknowledged by the Company and the Members that the holders of USCo2 Class B Shares are express third-party beneficiaries of the 7 Year Put Option, and as such, each holder of USCo2 Class B Shares, pursuant to the terms of the USCo2 Articles, shall have the right to sell all (but not less than all) of such holder's USCo2 Class B Shares directly to the Company in exchange for such holder's pro rata portion (calculated on the basis of the holders of USCo2 Class A Shares together with holders of USCo2 Class B Shares) of USCo2's total Class B Option Consideration.

Section 3.03 Recapitalization; Capital Contributions.

(a) *Recapitalization*. As of the Effective Time, the issued and outstanding Units of the Company that in each case were issued and outstanding and held by the Members prior to the execution and effectiveness of this Agreement are hereby canceled and the Class A Units and the Class B Units are hereby issued and outstanding as of the Effective Time (with each Member's Class B Units consisting of 70% Class B Fixed Units and 30% Class B Floating Units) (the "***Recapitalization***"). The outstanding Class A Units and Class B Units after giving effect to the Recapitalization, and the respective holders thereof as of the Effective Time, are reflected on the Schedule of Members. For the avoidance of doubt, only USCo shall be issued Class A Units in the Company; each other Member as of the Effective Time shall be issued Class B Units for such Member's Units immediately prior to the Effective Time.

(b) *Member Capital Contributions*. The Members' Capital Contributions shall be reflected on the Schedule of Members. For the avoidance of doubt, the Members shall be admitted as Members with respect to all Units they hold from time to time. The parties hereto acknowledge and agree that Capital Contributions made or to be made to the Company by such Members will result in a "reevaluation of partnership property" and corresponding adjustments to Capital Account balances as described in Treasury Regulations section 1.704-1(b)(2)(iv)(f).

Section 3.04 Issuance of Additional Units in Conformance with Support Agreements. The Manager shall be authorized to cause the Company to undertake all actions necessary or required by the Company under the Support Agreements including without limitation any reclassification, consolidation, split, distribution, or recapitalization, with respect to the Units, to maintain the same ratios between the number of outstanding Pubco Shares, the number of outstanding Acreage Shares, the number of outstanding USCo Common Shares plus the number of outstanding USCo2 shares (consisting of USCo2 Class A Common Shares and USCo2 Class B Common Shares), and the number of Units issued and outstanding immediately prior to any such reclassification, consolidation, split, distribution, or recapitalization of shares at USCo, USCo2, Acreage or Pubco.

Section 3.05 Repurchase or Redemption of Pubco Shares or USCo2 Class B Shares.

(a) If, at any time, any Pubco Shares are repurchased or redeemed (whether by exercise of a put or call, automatically or by means of another arrangement) by Pubco for cash, then each of Acreage, USCo and USCo2 shall, immediately prior to such repurchase or redemption of Pubco Shares, redeem a proportionate number of shares of stock of each of Acreage, USCo and USCo2 held by Pubco or Acreage, as applicable, as the total number of shares of stock of each of Acreage, USCo and USCo2 held by Pubco or Acreage, as applicable, bears to the total number of shares of stock of Acreage, USCo and USCo2 held by Pubco or Acreage, as applicable, at an aggregate redemption price equal to the aggregate purchase or redemption price of the Pubco Shares being repurchased or redeemed by Pubco (plus any expenses related thereto) and upon such other terms as are the same for the Pubco Shares being repurchased or redeemed by Pubco; *provided that*, immediately prior to such redemption by USCo of such shares of stock of USCo and by USCo2 of such shares of stock of USCo2, the Manager shall cause the Company to redeem a proportionate number of Units held by each of USCo and USCo2 as the total number of Units held by each of USCo and USCo2 bears to the total number of Units held by USCo and USCo2, at an aggregate redemption price equal to the aggregate purchase or redemption price of the Pubco Shares being repurchased or redeemed by Pubco (plus any expenses related thereto) and upon such other terms as are the same for the Pubco Shares being repurchased or redeemed by Pubco.

(b) If, at any time, any USCo2 Class B Shares are repurchased or redeemed (whether by exercise of a put or call, automatically or by means of another arrangement) by USCo2 (or its designee) for cash, then the Manager shall cause the Company to redeem a number of Units held by USCo2 at an aggregate redemption price equal to the aggregate purchase or redemption price of the USCo2 Class B Shares being repurchased or redeemed by USCo2 (plus any expenses related thereto) and upon such other terms as are the same for the USCo2 Class B Shares being repurchased or redeemed by USCo2.

(c) Notwithstanding any provision to the contrary in this Agreement, no repurchase or redemption shall be made if such repurchase or redemption would violate any applicable Law.

Section 3.06 Certificates Representing Units; Lost, Stolen or Destroyed Certificates; Registration and Transfer of Units.

(a) Units shall not be certificated unless otherwise determined by the Manager. If the Manager determines that one or more Units shall be certificated, each such certificate shall be signed by or in the name of the Company, by the Chief Executive Officer and any other officer designated by the Manager, representing the number of Units held by such Unitholder. Such certificate shall be in such form (and shall contain such legends) as the Manager may determine. Any or all of such signatures on any certificate representing one or more Units may be a facsimile, engraved or printed, to the extent permitted by applicable Law. The Manager agrees that it shall not elect to treat any Unit as a "security" within the meaning of Article 8 of the Uniform Commercial Code of any applicable jurisdiction unless thereafter all Units then outstanding are represented by one or more certificates.

(b) If Units are certificated, the Manager may direct that a new certificate representing one or more Units be issued in place of any certificate theretofore issued by the Company alleged to have been lost, stolen or destroyed, upon delivery to the Manager of an affidavit of the owner or owners of such certificate, setting forth such allegation. The Manager may require the owner of such lost, stolen or destroyed certificate, or such owner's legal representative, to give the Company a bond sufficient to indemnify it against any claim that may be made against it on account of the alleged loss, theft or destruction of any such certificate or the issuance of any such new certificate.

(c) Upon surrender to the Company or the transfer agent of the Company, if any, of a certificate for one or more Units, duly endorsed or accompanied by appropriate evidence of succession, assignment or authority to transfer, in compliance with the provisions hereof, the Company shall issue a new certificate representing one or more Units to the Person entitled thereto, cancel the old certificate and record the transaction upon its books. Subject to the provisions of this Agreement, the Manager may prescribe such additional rules and regulations as it may deem appropriate relating to the issue, Transfer and registration of Units.

Section 3.07 Negative Capital Accounts. No Member shall be required to pay to any other Member or the Company any deficit or negative balance which may exist from time to time in such Member's Capital Account (including upon and after dissolution of the Company).

Section 3.08 No Withdrawal. No Person shall be entitled to withdraw any part of such Person's Capital Contribution or Capital Account or to receive any Distribution from the Company, except as expressly provided in this Agreement.

Section 3.09 Loans From Members. Loans by Members to the Company shall not be considered Capital Contributions. Subject to the provisions of Section 3.01(c), the amount of any such advances shall be a debt of the Company to such Member and shall be payable or collectible in accordance with the terms and conditions upon which such advances are made.

Section 3.10 Acquisitions. The Manager may cause the Company from time to time to issue Class B Units or other Equity Securities to Persons for the purpose of acquiring additional assets or equity interests in corporations, partnerships, limited liability companies and other entities, on the terms as determined by the Manager in its sole and absolute discretion. The terms of any such acquisition, including price, shall be negotiated and determined by the Manager in its sole and absolute discretion.

Section 3.11 Pubco Equity Incentive Plans. Nothing in this Agreement shall be construed or applied to preclude or restrain Pubco from adopting, modifying or terminating an Equity Plan or from issuing Pubco Shares pursuant to any such Equity Plans. Pubco may implement such Equity Plans and any actions taken under such Equity Plans (such as the grant or exercise of options to acquire Pubco Shares, or the issuance of Unvested Corporate Shares), whether taken with respect to or by an employee or other service provider of Pubco, Acreage, USCo, USCo2, the Company or its Subsidiaries, in a manner determined by Pubco in its sole discretion. The Manager may amend this Agreement as necessary or advisable in its sole discretion in connection with the adoption, implementation, modification or termination of an Equity Plan by Pubco. In the event of such an amendment by the Manager, the Company will provide notice of such amendment to the Members. For the avoidance of doubt, the Company shall be expressly authorized to issue Units (i) in accordance with the terms of any such Equity Plan, or (ii) in an amount equal to the number of Pubco Shares issued pursuant to any such Equity Plan, without any further act, approval or vote of any Member or any other Persons.

ARTICLE IV.
DISTRIBUTIONS

Section 4.01 Distributions.

(a) *Distributable Cash; Other Distributions*. To the extent permitted by applicable Law and hereunder, Distributions to Class A Unitholders may be declared by the Manager out of Distributable Cash or other funds or property legally available therefor in such amounts and on such terms (including the payment dates of such Distributions) as the Manager shall determine using such record date as the Manager may designate; such Distributions shall be made to the Class A Unitholders as of the close of business on such record date on a pro rata basis in accordance with each Class A Unitholders Percentage Interest relative to all other Class A Unitholders as of the close of business on such record date; *provided, however*, that the Manager shall have the obligation to make Distributions as set forth in Sections 3.02(b), 4.01(b) and 14.02 (with the Distributions of Section 4.01(b) taking priority to all other Distributions and the Distributions of Sections 3.02(b) and 14.02 taking priority to Distributions to this Section 4.01(a) for any year in which there is a liquidation of the Company or a sale of substantially all of the Company's assets, in such fiscal year, or on the fifth (5^{th}) or the seventh (7^{th}) anniversary of the Effective Time); and, *provided further,* that, notwithstanding any other provision herein to the contrary, no Distributions shall be made to any Member to the extent such Distribution would render the Company insolvent. For purposes of the foregoing sentence, insolvency means either (i) the inability of the Company to pay its debts as they come due in the usual course of business, or (ii) the total assets of the Company being less than the sum of its total liabilities. Promptly following the designation of a record date and the declaration of a Distribution pursuant to this Section 4.01(a), the Manager shall give notice to each Class A Unitholder of the record date, the amount and the terms of the Distribution and the payment date thereof. In furtherance of the foregoing, it is intended that the Manager shall, to the extent permitted by applicable Law and hereunder, have the right in its sole discretion to make Distributions to the Class A Unitholders pursuant to this Section 4.01(a) in such amounts as shall enable USCo to pay dividends or to meet its obligations, including its obligations pursuant to the Tax Receivable Agreement (to the extent such obligations are not otherwise able to be satisfied as a result of Tax Distributions required to be made pursuant to Section 4.01(b)). Notwithstanding anything herein to the contrary, (i) no Distributions shall be made to the Class A Unitholders if such Distributions would render the Company unable to meet its obligations to the Class B Unitholders under Section 3.02 hereof, and (ii) at the Manager's sole discretion, the Company may make Distributions with respect to the Class B Preferred Return Amount in any Fiscal Year to the Class B Unitholders pro rata to their respective Class B Units.

(b) *Tax Distributions*.

(i) On or about each date that is five (5) Business Days prior to the due date for the U.S. federal income tax return of an individual calendar year taxpayer (without regard to extensions) (a "***Tax Distribution Date***"), the Company shall, to the extent of Distributable Cash as determined by the Manager in its sole discretion, be required to make a Distribution to each Member of cash in an amount equal to the excess of such Member's Assumed Tax Liability, if any, for such immediately preceding Fiscal Year over the Distributions previously made to such Member pursuant to this Section 4.01(b) with respect to such Fiscal Year (the "***Tax Distributions***"). Notwithstanding the foregoing, (i) the Manager may, in its sole discretion exercised in good faith and in lieu of such annual Tax Distributions described in the preceding sentence, make Distributions in cash to each Member on or before such dates on which estimated taxes are required to be paid with respect to a fiscal quarter (the amount of any such Distribution to be calculated by reference to the Assumed Tax Liability of a Member for any such fiscal quarter and reduced by any Distributions previously made to such member during such fiscal quarter); (ii) with respect to the Class B Unitholders the Tax Distributions shall be mandatory in all events unless such Tax Distribution would violate applicable Law, regardless of Distributable Cash, and not subject to the discretion of the Manager or any other person (and to the extent that such Tax Distribution does violate applicable Law, the parties will determine in good faith if there is a commercially reasonable manner to make such Distribution not in violation of applicable Law); and (iii) if on a Tax Distribution Date a person who was previously a Member is no longer a Member (a "***Former Member***"), Tax Distributions shall be made to such Former Member on the Tax Distribution Date to the extent such Former Member is allocated taxable income by the Company with respect to a prior taxable period (or portion thereof) for which such Former Member has not previously received a Tax Distribution.

(ii) To the extent a Member otherwise would be entitled to receive less than its Percentage Interest of the aggregate Tax Distributions to be paid pursuant to this Section 4.01(b) on any given date, the Tax Distributions to such Member shall be increased to ensure that all Distributions made pursuant to this Section 4.01(b) are made pro rata in accordance with such Member's Percentage Interest. If, on a Tax Distribution Date, there are insufficient funds on hand to distribute to the Members the full amount of the Tax Distributions to which such Members are otherwise entitled, Distributions pursuant to this Section 4.01(b) shall be made to the Members only to the extent of available funds in accordance with their Percentage Interests and the Company shall make future Tax Distributions as soon as the Manager determines in its sole discretion that funds have become available sufficient to pay the remaining portion of the Tax Distributions to which such Members are otherwise entitled. For the avoidance of doubt, nothing in this Agreement, including but not limited to this paragraph (ii), shall limit the Class B Unitholder's annual right to its Tax Distributions in every year, irrespective of Distributable Cash or the discretion of the Manager or any other person but only to the extent such Tax Distributions would not violate applicable Law (and to the extent that such Tax Distribution does violate applicable Law, the parties will determine in good faith if there is a commercially reasonable manner to make such Distribution not in violation of applicable Law).

(iii) In the event of any audit by, or similar event with, a taxing authority that affects the calculation of any Member's Assumed Tax Liability for any Taxable Year, or in the event the Company files an amended tax return, each Member's Assumed Tax Liability with respect to such year shall be recalculated by giving effect to such event (for the avoidance of doubt, taking into account interest or penalties). Any shortfall in the amount of Tax Distributions the Members and former Members received for the relevant Taxable Years based on such recalculated Assumed Tax Liability shall, to the extent of Distributable Cash available therefor as determined by the Manager in its sole discretion, promptly be distributed to such Members and the successors of such former Members, except, for the avoidance of doubt, to the extent Distributions were made to such Members and former Members pursuant to Section 4.01(a) and this Section 4.01(b) in the relevant Taxable Years sufficient to cover such shortfall. For the avoidance of doubt, nothing in this Agreement, including but not limited to this paragraph (iii), shall limit the Class B Unitholder's annual right to its Tax Distributions in every year, irrespective of Distributable Cash or the discretion of the Manager or any other person but only to the extent such Tax Distributions would not violate applicable Law (and to the extent that such Tax Distribution does violate applicable Law, the parties will determine in good faith if there is a commercially reasonable manner to make such Distribution not in violation of applicable Law). Notwithstanding the foregoing, Distributions pursuant to this Section 4.01(b), if any, shall be made to a Member (or its predecessor in interest) only to the extent all previous Distributions to such Member pursuant to Section 4.01(a) with respect to the Fiscal Year are less than the Distributions such Member (and its predecessor in interest) otherwise would have been entitled to receive with respect to such Fiscal Year pursuant to this Section 4.01(b).

(iv) This Section 4.01(b) may not be amended in a manner that would result in an adverse effect to any Member or Former Member who is or would be entitled to a distribution pursuant to this Section 4.01(b) without the consent of the majority of such Members and Former Members who are entitled to such distributions (such consent shall not be unreasonably withheld, conditioned, or delayed).

Section 4.02 Restricted Distributions. Notwithstanding any provision to the contrary contained in this Agreement, the Company shall not make any Distribution to any Member on account of any Company Interest if such Distribution would violate any applicable Law or the terms of any other agreement to which the Company is a party.

ARTICLE V.
CAPITAL ACCOUNTS; ALLOCATIONS; TAX MATTERS

Section 5.01 Capital Accounts.

(a) The Company shall maintain a separate Capital Account for each Member according to the rules of Treasury Regulations section 1.704-1(b)(2)(iv). For this purpose, the Company may (in the discretion of the Manager), upon the occurrence of the events specified in Treasury Regulations section 1.704-1(b)(2)(iv)(f), increase or decrease the Capital Accounts in accordance with the rules of such Treasury Regulations and Treasury Regulations section 1.704-1(b)(2)(iv)(g) to reflect a revaluation of Company property.

(b) For purposes of computing the amount of any item of Company income, gain, loss or deduction to be allocated pursuant to this Article V and to be reflected in the Capital Accounts of the Members, the determination, recognition and classification of any such item shall be the same as its determination, recognition and classification for U.S. federal income tax purposes (including any method of depreciation, cost recovery or amortization used for this purpose); *provided, however*, that:

(i) The computation of all items of income, gain, loss and deduction shall include those items described in Code Section 705(a)(l)(B) or Code Section 705(a)(2)(B) and Treasury Regulations section 1.704-1(b)(2)(iv)(i), without regard to the fact that such items are not includable in gross income or are not deductible for U.S. federal income tax purposes.

(ii) If the Book Value of any Company property is adjusted pursuant to Treasury Regulations section 1.704-1(b)(2)(iv)(f), the amount of such adjustment shall be taken into account as gain or loss from the disposition of such property.

(iii) Items of income, gain, loss or deduction attributable to the disposition of Company property having a Book Value that differs from its adjusted basis for tax purposes shall be computed by reference to the Book Value of such property.

(iv) Items of depreciation, amortization and other cost recovery deductions with respect to Company property having a Book Value that differs from its adjusted basis for tax purposes shall be computed by reference to the property's Book Value in accordance with Treasury Regulations section 1.704-1(b)(2)(iv)(g).

(v) To the extent an adjustment to the adjusted tax basis of any Company asset pursuant to Code Sections 732(d), 734(b) or 743(b) is required, pursuant to Treasury Regulations section 1.704-1(b)(2)(iv)(m), to be taken into account in determining Capital Accounts, the amount of such adjustment to the Capital Accounts shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases such basis).

(c) In connection with the Recapitalization, the Capital Accounts of the Unitholders will be revalued pursuant to Treasury Regulation Section 1.704-1(b)(2)(iv)(f) to Fair Market Value (but for these purposes, utilizing the meaning of Fair Market Value with respect to the definition of Class B Preferred Return Amount). For the avoidance of doubt, it is the intention of the parties that the aggregate opening Capital Accounts of the Class B Unitholders shall equal the aggregate Class B Preferred Return Base Amount. It is further the intention of the parties that the Class B Unitholders shall not recognize any income or gain in connection with the Recapitalization and the terms of this Agreement shall interpreted consistently with such intent, including making allocations of items of gross income or loss to ensure that no net income or gain is recognized in connection with the Recapitalization, whether with respect to the year of the Recapitalization or thereafter.

Section 5.02 Allocations. Except as otherwise provided in Section 5.03 and Section 5.04, Net Profits and Net Losses for any Fiscal Year or Fiscal Period shall be allocated among the Capital Accounts of the Class A Unitholders pro rata in accordance with their respective Percentage Interests; provided, however, that prior to any allocations of Net Profits an amount of Net Profits equal to the Class B Preferred Amount from the current Fiscal Year and all previous Fiscal Years during which the Class B Preferred Return Amount accrued (but only to the extent Net Profits have not previously been allocated on such Class B Units on account of such accrued Class B Preferred Amount) shall be allocated among the Capital Accounts of the Class B Unitholders, pro rata to their respective number of Class B Units, until the amount of Net Profits allocated to the Class B Unitholders allocated pursuant to this proviso equals the aggregate Class B Preferred Return Amount for the current Fiscal Year and all previous Fiscal Years during which Class B Preferred Return Amount accrued; provided, further, that in no event shall Net Losses for any Fiscal Year be allocated to the Class B Unitholder, except as provided for in Section 5.03(d).

Section 5.03 Regulatory Allocations.

(a) Losses attributable to partner nonrecourse debt (as defined in Treasury Regulations section 1.704-2(b)(4)) shall be allocated in the manner required by Treasury Regulations section 1.704-2(i). If there is a net decrease during a Taxable Year in partner nonrecourse debt minimum gain (as defined in Treasury Regulations section 1.704-2(i)(3)), Profits for such Taxable Year (and, if necessary, for subsequent Taxable Years) shall be allocated to the Members in the amounts and of such character as determined according to Treasury Regulations section 1.704-2(i)(4).

(b) Nonrecourse deductions (as determined according to Treasury Regulations section 1.704-2(b)(1)) for any Taxable Year shall be allocated pro rata among the Class A Unitholder in accordance with their Percentage Interests. Except as otherwise provided in Section 4.03(a), if there is a net decrease in the Minimum Gain during any Taxable Year, each Member shall be allocated Profits for such Taxable Year (and, if necessary, for subsequent Taxable Years) in the amounts and of such character as determined according to Treasury Regulations section 1.704-2(f). This Section 5.03(b) is intended to be a minimum gain chargeback provision that complies with the requirements of Treasury Regulations section 1.704-2(f), and shall be interpreted in a manner consistent therewith.

(c) If any Member that unexpectedly receives an adjustment, allocation or Distribution described in Treasury Regulations section 1.704-1(b)(2)(ii)(d)(4), (5) and (6) has an Adjusted Capital Account Deficit as of the end of any Taxable Year, computed after the application of Sections 5.03(a) and 5.03(b) but before the application of any other provision of this Article V, then Profits for such Taxable Year shall be allocated to such Member in proportion to, and to the extent of, such Adjusted Capital Account Deficit. This Section 5.03(c) is intended to be a qualified income offset provision as described in Treasury Regulations section 1.704-1(b)(2)(ii)(d) and shall be interpreted in a manner consistent therewith.

(d) If the allocation of Net Losses to a Member as provided in Section 5.02 would create or increase an Adjusted Capital Account Deficit, there shall be allocated to such Member only that amount of Losses as will not create or increase an Adjusted Capital Account Deficit. The Net Losses that would, absent the application of the preceding sentence, otherwise be allocated to such Member shall be allocated to the other Class A Unitholders in accordance with their relative Percentage Interests, subject to this Section 5.03(d) and until the Capital Account of each Class A Unitholders is zero, and thereafter, to the Class B Unitholders, pro rata to their number of Class B Units.

(e) Profits and Losses described in Section 5.01(b)(v) shall be allocated in a manner consistent with the manner that the adjustments to the Capital Accounts are required to be made pursuant to Treasury Regulations section 1.704-1(b)(2)(iv)(j), (k) and (m).

(f) The allocations set forth in Section 5.03(a) through and including Section 5.03(e) (the "***Regulatory Allocations***") are intended to comply with certain requirements of Sections 1.704-1(b) and 1.704-2 of the Treasury Regulations. The Regulatory Allocations may not be consistent with the manner in which the Members intend to allocate Profit and Loss of the Company or make Distributions. Accordingly, notwithstanding the other provisions of this ARTICLE V, but subject to the Regulatory Allocations, income, gain, deduction and loss shall be reallocated among the Members so as to eliminate the effect of the Regulatory Allocations and thereby cause the respective Capital Accounts of the Members to be in the amounts (or as close thereto as possible) they would have been if Profits and Losses (and such other items of income, gain, deduction and loss) had been allocated without reference to the Regulatory Allocations. In general, the Members anticipate that this will be accomplished by specially allocating other Profit and Loss (and such other items of income, gain, deduction and loss) among the Members so that the net amount of the Regulatory Allocations and such special allocations to each such Member is zero. In addition, if in any Fiscal Year or Fiscal Period there is a decrease in partnership minimum gain, or in partner nonrecourse debt minimum gain, and application of the minimum gain chargeback requirements set forth in Section 5.03(a) or Section 5.03(b) would cause a distortion in the economic arrangement among the Members, the Members may, if they do not expect that the Company will have sufficient other income to correct such distortion, request the Internal Revenue Service to waive either or both of such minimum gain chargeback requirements. If such request is granted, this Agreement shall be applied in such instance as if it did not contain such minimum gain chargeback requirement.

Section 5.04 Final Allocations. Notwithstanding any provision to the contrary contained in this Agreement except Section 5.02 and Section 5.03, the Manager shall make appropriate adjustments to allocations of Net Profits and Net Losses to (or, if necessary, allocate items of gross income, gain, loss or deduction of the Company among) the Members upon the liquidation of the Company (within the meaning of Treasury Regulations section 1.704-1(b)(2)(ii)(g)), the transfer of substantially all the Units (whether by sale or exchange or merger) or sale of all or substantially all the assets of the Company, such that, to the maximum extent possible, the Capital Accounts of the Members are proportionate to their Percentage Interests. In each case, such adjustments or allocations shall occur, to the maximum extent possible, in the Fiscal Year of the event requiring such adjustments or allocations.

Section 5.05 Tax Allocations.

(a) The income, gains, losses, deductions and credits of the Company will be allocated, for U.S. federal, state and local income tax purposes, among the Members in accordance with the allocation of such income, gains, losses, deductions and credits among the Members for computing their Capital Accounts; *provided* that if any such allocation is not permitted by the Code or other applicable Law, the Company's subsequent income, gains, losses, deductions and credits will be allocated among the Members so as to reflect as nearly as possible the allocation set forth herein in computing their Capital Accounts.

(b) Items of Company taxable income, gain, loss and deduction with respect to any property contributed to the capital of the Company shall be allocated among the Members in accordance with Code Section 704(c) so as to take account of any variation between the adjusted basis of such property to the Company for federal income tax purposes and its Book Value using any reasonable method as determined in the sole discretion of the Manager taking into account the principles of Treasury Regulations section 1.704-3(b), provided, however, that the Class B Unitholders shall not be allocated any amount of taxable income or gain in excess of the accrued Class B Preferred Return Amount, pursuant to the proviso of Section 5.02.

(c) If the Book Value of any Company asset is adjusted pursuant to Section 5.01(b), subsequent allocations of items of taxable income, gain, loss and deduction with respect to such asset shall take account of any variation between the adjusted basis of such asset for federal income tax purposes and its Book Value in the same manner as under Code Section 704(c) using any reasonable method as determined in the sole discretion of the Manager taking into account the principles of Treasury Regulations section 1.704-3(b), provided, however, that the Class B Unitholders shall not be allocated any amount of taxable income or gain in excess of the accrued Class B Preferred Return Amount, pursuant to the proviso of Section 5.02.

(d) Allocations of tax credits, tax credit recapture, and any items related thereto shall be allocated to the Class A Unitholders pro rata as determined by the Manager taking into account the principles of Treasury Regulations section 1.704-1(b)(4)(ii).

(e) For purposes of determining a Member's pro rata share of the Company's "excess nonrecourse liabilities" within the meaning of Treasury Regulations section 1.752-3(a)(3), each Member's interest in income and gain shall be in proportion to the Units held by such Member, provided, however, that the "excess nonrecourse liabilities" shall be allocated among the Class A Unitholders, except to the extent that an allocation of "excess nonrecourse liabilities" from a Class B Unitholder (prior to the Recapitalization) to Class A Unitholder (after the Recapitalization) results in the recognition of any income or gain for any Class B Unitholders, the Manager is authorized to allocate the "excess nonrecourse liabilities" using any method permitted under the applicable Treasury Regulations to minimize and eliminate the gain or income recognition by any Class B Unitholder.

(f) Allocations pursuant to this Section 5.04 are solely for purposes of U.S. federal, state and local taxes and shall not affect, or in any way be taken into account in computing, any Member's Capital Account or share of Profits, Losses, Distributions or other Company items pursuant to any provision of this Agreement.

Section 5.06 Indemnification and Reimbursement for Payments on Behalf of a Member. To the extent not otherwise addressed in Section 9.04, if the Company is obligated to pay any amount to a Governmental Entity (or otherwise makes a payment to a Governmental Entity) that is specifically attributable to a Member or a Member's status as such (including U.S. federal withholding or other taxes, partnership adjustments (as defined in Code Section 6241(2) including any "imputed underpayments" (as determined in accordance with Code Section 6225(c)(3), (4) and (5)), state personal property taxes and state unincorporated business taxes, but excluding payments such as professional association fees and the like made voluntarily by the Company on behalf of any Member based upon such Member's status as an employee of the Company), then such Person shall indemnify the Company in full for the entire amount paid (including interest, penalties and related expenses). The Manager may offset Distributions to which a Person is otherwise entitled under this Agreement against such Person's obligation to indemnify the Company under this Section 5.06. A Member's obligation to make contributions to the Company under this Section 5.06 shall survive the termination, dissolution, liquidation and winding up of the Company, and for purposes of this Section 5.06, the Company shall be treated as continuing in existence. The Company may pursue and enforce all rights and remedies it may have against each Member under this Section 5.06, including instituting a lawsuit to collect such contribution with interest calculated at a rate per annum equal to the sum of the Base Rate plus 300 basis points (but not in excess of the highest rate per annum permitted by Law). Each Member hereby agrees to furnish to the Company such information and forms as required or reasonably requested in order to comply with any laws and regulations governing withholding of tax or in order to claim any reduced rate of, or exemption from, withholding to which the Member is legally entitled. Notwithstanding anything herein to the contrary (and for avoidance of doubt, not limiting any rights of the Class B Unitholders under this Agreement), to the extent any Class B Unitholder is actually obligated to pay any such additional taxes pursuant to this Section 5.06 (except taxes (including penalties and interest) directly or indirectly attributable to such Class B Unitholder's failure to comply with (i) the provisions of this Agreement and/or (ii) any applicable Law), such Class B Unitholder shall be entitled to a Tax Distribution pursuant to Section 4.01(b) with respect to any income or gain allocated to it pursuant to any audit or other determination.

ARTICLE VI.
MANAGEMENT

Section 6.01 Authority of the Manager.

(a) Except for situations in which the approval of any Member(s) is specifically required by this Agreement, (i) all management powers over the business and affairs of the Company shall be exclusively vested in the Manager of the Company (the "***Manager***") and (ii) the Manager shall conduct, direct and exercise full control over all activities of the Company. USCo shall serve as the Manager of the Company. The Manager shall be the "Manager" of the Company for the purposes of the Act. Except as otherwise expressly provided for herein and subject to the other provisions of this Agreement, the Members hereby consent to the exercise by the Manager of all such powers and rights conferred on the Members by the Act with respect to the management and control of the Company. Any vacancies in the position of Manager shall be filled in accordance with Section 6.04.

(b) The day-to-day business and operations of the Company shall be overseen and implemented by officers of the Company (each, an "***Officer***" and collectively, the "***Officers***"), subject to the limitations imposed by the Manager. An Officer may, but need not, be a Member. Each Officer shall be appointed by the Manager and shall hold office until his or her successor shall be duly designated and shall qualify or until his or her death or until he or she shall resign or shall have been removed in the manner hereinafter provided. Any one Person may hold more than one office. Subject to the other provisions in this Agreement (including in Section 6.07 below), the salaries or other compensation, if any, of the Officers of the Company shall be fixed from time to time by the Manager. The authority and responsibility of the Officers shall include, but not be limited to, such duties as the Manager may, from time to time, delegate to them and the carrying out of the Company's business and affairs on a day-to-day basis. The existing Officers of the Company as of the Effective Time shall remain in their respective positions and shall be deemed to have been appointed by the Manager. All Officers shall be, and shall be deemed to be, officers and employees of the Company. An Officer may also perform one or more roles as an officer of the Manager.

(c) The Manager shall have the power and authority to effectuate the sale, lease, transfer, exchange or other disposition of any, all or substantially all of the assets of the Company (including the exercise or grant of any conversion, option, privilege or subscription right or any other right available in connection with any assets at any time held by the Company) or the merger, consolidation, reorganization or other combination of the Company with or into another entity.

Section 6.02 Actions of the Manager. The Manager may act through any Officer or through any other Person or Persons to whom authority and duties have been delegated pursuant to Section 6.07.

Section 6.03 Resignation; No Removal. The Manager may resign at any time by giving written notice to the Members. Unless otherwise specified in the notice, the resignation shall take effect upon receipt thereof by the Members, and the acceptance of the resignation shall not be necessary to make it effective. The Members have no right under this Agreement to remove or replace the Manager.

Section 6.04 Vacancies. Vacancies in the position of Manager occurring for any reason shall be filled by USCo (or, if USCo has ceased to exist without any successor or assign, then by the holders of a majority in interest of the voting capital stock of USCo immediately prior to such cessation). The Members have no right under this Agreement to fill any vacancy in the position of Manager.

Section 6.05 Transactions between the Company and the Manager. The Manager may cause the Company to contract and deal with the Manager, or any Affiliate of the Manager, *provided* such contracts and dealings are on terms comparable to and competitive with those available to the Company from others dealing with the Company at arm's-length or are approved by the Members.

Section 6.06 Reimbursement for Expenses. The Manager shall not be compensated for its services as Manager of the Company except as expressly provided in this Agreement. The Members acknowledge and agree that the Manager shall be reimbursed by the Company for any reasonable out-of-pocket expenses incurred on behalf of the Company including, without limitation, fees incurred in connection with transfer agent services provided to Acreage, USCo, USCo2 and the Company. In the event that Pubco Shares are sold to underwriters in any subsequent public offering at a price per share that is lower than the price per share for which such Pubco Shares are sold to the public in such subsequent public offering after taking into account underwriters' discounts or commissions and brokers' fees or commissions (such difference, the "***Discount***"), (i) Pubco shall be deemed to have contributed to Acreage in proportion to the number that the Acreage Shares held by Pubco bears to the total number of Acreage Shares held by Pubco, in exchange for newly issued Acreage Shares the full amount for which such Pubco Shares were sold to the public, (ii) the Manager and USCo2, together, shall be deemed to have contributed to the Company in exchange for newly issued Class A Units and Class B Units, respectively, the full amount for which such Pubco Shares were sold to the public, and (iii) the Company shall be deemed to have paid the Discount as an expense. To the extent practicable, expenses incurred by the Manager on behalf of or for the benefit of the Company shall be billed directly to and paid by the Company and, if and to the extent any reimbursements to the Manager or any of its Affiliates by the Company pursuant to this Section 6.06 constitute gross income to such Person (as opposed to the repayment of advances made by such Person on behalf of the Company), such amounts shall be treated as "guaranteed payments" within the meaning of Code Section 707(c) and shall not be treated as Distributions for purposes of computing the Members' Capital Accounts.

Section 6.07 Delegation of Authority. The Manager (a) may, from time to time, delegate to one or more Persons such authority and duties as the Manager may deem advisable, and (b) may assign titles (including chief executive officer, president, chief financial officer, chief operating officer, chief strategy officer, vice president, secretary, assistant secretary, treasurer or assistant treasurer) and delegate certain authority and duties to such Persons as the same may be amended, restated or otherwise modified from time to time. Any number of titles may be held by the same individual. The salaries or other compensation, if any, of such agents of the Company shall be fixed from time to time by the Manager, subject to the other provisions in this Agreement.

Section 6.08 Limitation of Liability of Manager.

(a) Except as otherwise provided herein or in an agreement entered into by such Person and the Company, neither the Manager nor any of the Manager's Affiliates shall be liable to the Company or to any Member that is not the Manager for any act or omission performed or omitted by the Manager in its capacity as the sole Manager of the Company pursuant to authority granted to the Manager by this Agreement; *provided, however*, that, except as otherwise provided herein, such limitation of liability shall not apply to the extent the act or omission was attributable to the Manager's fraud, intentional misconduct or knowing violation of Law or for any present or future breaches of any representations, warranties or covenants by the Manager or its Affiliates contained herein or in the other agreements with the Company, in each case as determined by a final judgment, order or decree of an arbitrator or a court of competent jurisdiction which is not appealable or with respect to which the time for appeal therefrom has expired and no appeal has been perfected. The Manager may exercise any of the powers granted to it by this Agreement and shall perform any of the duties imposed upon it hereunder either directly or by or through its agents, and shall not be responsible for any misconduct or negligence on the part of any such agent (so long as such agent was selected in good faith and with reasonable care). The Manager shall be entitled to rely in good faith on the provisions of this Agreement and on information, opinions, reports or statements (including financial statements and information, opinions, reports or statements as to the value or amount of the assets, liabilities, Profits or Losses of the Company or any facts pertinent to the existence and amount of assets from which Distributions to Members might properly be paid) of the following other Persons or groups: one or more Officers or employees of the Company or the Manager; any attorney, independent accountant, appraiser or other expert or professional employed or engaged by or on behalf of the Company or the Manager; or any other Person who has been selected with reasonable care by or on behalf of the Company, or the Manager, in each case as to matters which the Manager reasonably believes to be within such other Person's competence, and any act of or failure to act by the Manager in good faith reliance on such advice shall in no event subject the Manager to liability to the Company or any Member that is not the Manager.

(b) Whenever this Agreement or any other agreement contemplated herein provides that the Manager shall act in a manner which is, or provide terms which are, "fair and reasonable" to the Company or any Member that is not the Manager, the Manager shall determine such appropriate action or provide such terms considering, in each case, the relative interests of each party to such agreement, transaction or situation and the benefits and burdens relating to such interests, any customary or accepted industry practices, and any applicable IFRS.

(c) Whenever in this Agreement or any other agreement contemplated herein, the Manager is permitted or required to take any action or to make a decision in its "sole discretion" or "discretion," with "complete discretion" or under a grant of similar authority or latitude, the Manager shall be entitled to consider such interests and factors as it desires, including its own interests, and shall, to the fullest extent permitted by applicable Law, have no duty or obligation to give any consideration to any interest of or factors affecting the Company or other Members.

(d) Whenever in this Agreement the Manager is permitted or required to take any action or to make a decision in its "good faith" or under another express standard, the Manager shall act under such express standard and, to the extent permitted by applicable Law, shall not be subject to any other or different standards imposed by this Agreement or any other agreement contemplated herein, and, notwithstanding anything contained herein to the contrary, so long as the Manager acts in good faith or such other express standard permitted or required hereunder, the resolution, action or terms so made, taken or provided by the Manager shall not constitute a breach of this Agreement or any other agreement contemplated herein or impose liability upon the Manager or any of the Manager's Affiliates.

(e) To the fullest extent permitted by Law, the Manager shall not have any fiduciary duty to the Company, the Members, or any other Person. The foregoing shall not eliminate the implied contractual covenant of good faith and fair dealing under applicable Law. To the fullest extent permitted by Law, the Manager shall not be liable to the Company, the Members, or any other Person bound by this Agreement for breach of contract or breach of duties (including fiduciary duties), unless the Manager acted in bad faith or engaged in willful misconduct.

Section 6.09 Investment Company Act. The Manager shall use its best efforts to ensure that the Company shall not be subject to registration as an investment company pursuant to the Investment Company Act.

Section 6.10 Outside Activities of the Manager. The Manager shall not, directly or indirectly, enter into or conduct any business or operations, other than in connection with (a) the ownership, acquisition and disposition of Common Units, (b) the management of the business and affairs of the Company and its Subsidiaries, (c) financing or refinancing of any type related to the Company, its Subsidiaries or their assets or activities, and (d) such activities as are incidental to the foregoing; *provided, however*, that the Manager may, in its sole and absolute discretion, from time to time hold or acquire assets in its own name or otherwise other than through the Company and its Subsidiaries so long as the Manager takes commercially reasonable measures to ensure that the economic benefits and burdens of such assets are otherwise vested in the Company or its Subsidiaries, through assignment, mortgage loan or otherwise or, if it is not commercially reasonable to vest such economic interests in the Company or any of its Subsidiaries, the Members shall negotiate in good faith to amend this Agreement to reflect such activities and the direct ownership of assets by the Manager. Nothing contained herein shall be deemed to prohibit the Manager from executing any guarantee of indebtedness of the Company or its Subsidiaries.

ARTICLE VII.
RIGHTS AND OBLIGATIONS OF MEMBERS

Section 7.01 Limitation of Liability and Duties of Members.

(a) Except as provided in this Agreement or in the Act, no Member (including the Manager) shall be obligated personally for any debt, obligation or liability solely by reason of being a Member. Notwithstanding anything contained herein to the contrary, the failure of the Company to observe any formalities or requirements relating to the exercise of its powers or management of its business and affairs under this Agreement or the Act shall not be grounds for imposing personal liability on the Members for liabilities of the Company.

(b) In accordance with the Act and the laws of the State of Delaware, a Member may, under certain circumstances, be required to return amounts previously distributed to such Member. It is the intent of the Members that no Distribution to any Member pursuant to ARTICLE IV shall be deemed a return of money or other property paid or distributed in violation of the Act. To the fullest extent permitted by Law, any Member receiving any such money or property shall not be required to return any such money or property to the Company or any other Person. However, if any court of competent jurisdiction holds that, notwithstanding the provisions of this Agreement, any Member is obligated to make any such payment, such obligation shall be the obligation of such Member and not of any other Member.

(c) Notwithstanding any other provision of this Agreement (subject to Section 6.08 with respect to the Manager), to the extent that, at law or in equity, any Member (or any Member's Affiliate or any Manager, Manager, general partner, director, officer, employee, agent, fiduciary or trustee of any Member or of any Affiliate of a Member) has duties (including fiduciary duties) to the Company, to the Manager, to another Member, to any Person who acquires an interest in a Company Interest or to any other Person bound by this Agreement, all such duties (including fiduciary duties) are hereby eliminated, to the fullest extent permitted by law, and replaced with the duties or standards expressly set forth herein, if any. The elimination of duties (including fiduciary duties) to the Company, the Manager, each of the Members, each other Person who acquires an interest in a Company Interest and each other Person bound by this Agreement and replacement thereof with the duties or standards expressly set forth herein, if any, are approved by the Company, the Manager, each of the Members, each other Person who acquires an interest in a Company Interest and each other Person bound by this Agreement.

Section 7.02 Lack of Authority. No Member, other than the Manager or a duly appointed Officer, in each case in its capacity as such, has the authority or power to act for or on behalf of the Company, to do any act that would be binding on the Company or to make any expenditure on behalf of the Company. The Members hereby consent to the exercise by the Manager of the powers conferred on them by Law and this Agreement.

Section 7.03 No Right of Partition. No Member, other than the Manager, shall have the right to seek or obtain partition by court decree or operation of Law of any Company property, or the right to own or use particular or individual assets of the Company.

Section 7.04 Indemnification.

(a) Subject to Section 5.06, the Company hereby agrees to indemnify and hold harmless any Person (each an "***Indemnified Person***") to the fullest extent permitted under the Act, as the same now exists or may hereafter be amended, substituted or replaced (but, in the case of any such amendment, substitution or replacement only to the extent that such amendment, substitution or replacement permits the Company to provide broader indemnification rights than the Company is providing immediately prior to such amendment), against all expenses, liabilities and losses (including attorneys' fees, judgments, fines, excise taxes or penalties) reasonably incurred or suffered by such Person (or one or more of such Person's Affiliates) by reason of the fact that such Person is or was a Member or is or was serving at the request of the Company as the Manager, an Officer, an employee or another agent of the Company or is or was serving at the request of the Company as a Manager, member, employee or agent of another limited liability company, corporation, partnership, joint venture, trust or other enterprise; *provided, however*, that no Indemnified Person shall be indemnified for actions against the Company, the Manager or Managers, or any other Members or which are not made in good faith and not or in a manner which he or she reasonably believed to be in or not opposed to the best interests of the Company, or, with respect to any criminal action or proceeding other than by or in the right of the Company, had reasonable cause to believe the conduct was unlawful, or for any present or future breaches of any representations, warranties or covenants by such Indemnified Person or its Affiliates contained herein or in the other agreements with the Company. Expenses, including attorneys' fees, incurred by any such Indemnified Person in defending a proceeding shall be paid by the Company as they are incurred and in advance of the final disposition of such action, suit or proceeding, upon receipt of an undertaking by or on behalf of such Indemnified Person to repay such amount if it shall ultimately be determined by a court of competent jurisdiction that such Indemnified Person is not entitled to be indemnified by the Company.

(b) The right to indemnification and the advancement of expenses conferred in this Section 7.04 shall not be exclusive of any other right which any Person may have or hereafter acquire under any statute, agreement, bylaw, action by the Manager or otherwise.

(c) The Company shall maintain directors' and officers' liability insurance, or make other financial arrangements, at its expense, to protect any Indemnified Person (and the investment funds, if any, they represent) against any expense, liability or loss described in Section 7.04(a) whether or not the Company would have the power to indemnify such Indemnified Person against such expense, liability or loss under the provisions of this Section 7.04. The Company shall use its commercially reasonable efforts to purchase directors' and officers' liability insurance (including employment practices coverage) with a carrier and in an amount determined necessary or desirable as determined in good faith by the Manager.

(d) Notwithstanding anything contained herein to the contrary (including in this Section 7.04), the Company agrees that any indemnification and advancement of expenses available to any current or former Indemnified Person from any investment fund that is an Affiliate of the Company who served as a director of the Company or as a Member of the Company by virtue of such Person's service as a member, director, partner or employee of any such fund prior to or following the Effective Time (any such Person, a "***Sponsor Person***") shall be secondary to the indemnification and advancement of expenses to be provided by the Company pursuant to this Section 7.04 which shall be provided out of and to the extent of Company assets only and no Member (unless such Member otherwise agrees in writing or is found in a final decision by a court of competent jurisdiction to have personal liability on account thereof) shall have personal liability on account thereof or shall be required to make additional Capital Contributions to help satisfy such indemnity of the Company and the Company (i) shall be the primary indemnitor of first resort for such Sponsor Person pursuant to this Section 7.04 and (ii) shall be fully responsible for the advancement of all expenses and the payment of all damages or liabilities with respect to such Sponsor Person which are addressed by this Section 7.04.

(e) If this Section 7.04 or any portion hereof shall be invalidated on any ground by any court of competent jurisdiction, then the Company shall nevertheless indemnify and hold harmless each Indemnified Person pursuant to this Section 7.04 to the fullest extent permitted by any applicable portion of this Section 7.04 that shall not have been invalidated and to the fullest extent permitted by applicable Law.

Section 7.05 Members Right to Act. For matters that require the approval of the Members, the Members shall act through meetings and written consents as described in paragraphs (a) and (b) below:

(a) Except as otherwise expressly provided by this Agreement or the Act, acts by the Members holding a majority of the Class A Units, voting together as a single class, shall be the acts of the Members. Any Member entitled to vote at a meeting of Members or to express consent or dissent to Company action in writing without a meeting may authorize another person or persons to act for it by proxy. An electronic mail or similar transmission by the Member, or a photographic, photostatic, facsimile or similar reproduction of a writing executed by the Member shall (if stated thereon) be treated as a proxy executed in writing for purposes of this Section 7.05(a). No proxy shall be voted or acted upon after eleven months from the date thereof, unless the proxy provides for a longer period. A proxy shall be revocable unless the proxy form conspicuously states that the proxy is irrevocable and that the proxy is coupled with an interest. Should a proxy designate two or more Persons to act as proxies, unless that instrument shall provide to the contrary, a majority of such Persons present at any meeting at which their powers thereunder are to be exercised shall have and may exercise all the powers of voting or giving consents thereby conferred, or, if only one be present, then such powers may be exercised by that one; or, if an even number attend and a majority do not agree on any particular issue, the Company shall not be required to recognize such proxy with respect to such issue if such proxy does not specify how the votes that are the subject of such proxy are to be voted with respect to such issue.

(b) The actions by the Members permitted hereunder may be taken at a meeting called by the Manager or by the Members holding a majority of the Units entitled to vote on such matter on at least 48 hours' prior written notice to the other Members entitled to vote, which notice shall state the purpose or purposes for which such meeting is being called. The actions taken by the Members entitled to vote or consent at any meeting (as opposed to by written consent), however called and noticed, shall be as valid as though taken at a meeting duly held after regular call and notice if (but not until), either before, at or after the meeting, the Members entitled to vote or consent as to whom it was improperly held signs a written waiver of notice or a consent to the holding of such meeting or an approval of the minutes thereof. The actions by the Members entitled to vote or consent may be taken by vote of the Members entitled to vote or consent at a meeting or by written consent, so long as such consent is signed by Members having not less than the minimum number of Units that would be necessary to authorize or take such action at a meeting at which all Members entitled to vote thereon were present and voted. Prompt notice of the action so taken, which shall state the purpose or purposes for which such consent is required and may be delivered via email, without a meeting shall be given to those Members entitled to vote or consent who have not consented in writing; *provided, however*, that the failure to give any such notice shall not affect the validity of the action taken by such written consent. Any action taken pursuant to such written consent of the Members shall have the same force and effect as if taken by the Members at a meeting thereof.

ARTICLE VIII.
BOOKS, RECORDS, ACCOUNTING AND REPORTS, AFFIRMATIVE COVENANTS

Section 8.01 Records and Accounting. The Company shall keep, or cause to be kept, appropriate books and records with respect to the Company's business, including all books and records necessary to provide any information, lists and copies of documents required to be provided pursuant to Section 8.03 or pursuant to applicable Law and IFRS. All matters concerning (a) the determination of the relative amount of allocations and Distributions among the Members pursuant to Articles III and IV and (b) accounting procedures and determinations, and other determinations not specifically and expressly provided for by the terms of this Agreement, shall be determined by the Manager, whose determination shall be final and conclusive as to all of the Members absent manifest clerical error.

Section 8.02 Fiscal Year. The "***Fiscal Year***" of the Company shall begin on the first (1^{st}) day of January and end on the last day of December each year or such other date as may be established by the Manager.

Section 8.03 Reports. The Company shall deliver or cause to be delivered, within one hundred eighty (180) days after the end of each Fiscal Year or as soon as practicable thereafter, to each Person who was a Member at any time during such Fiscal Year, all information reasonably necessary for the preparation of such Person's United States federal and applicable state income tax returns.

ARTICLE IX.
TAX MATTERS

Section 9.01 Preparation of Tax Returns. The Manager shall arrange for the preparation and timely filing of all tax returns required to be filed by the Company. No later than the later of (i) one hundred eighty (180) days following the end of the prior Fiscal Year or as soon as practicable thereafter, and (ii) thirty (30) Business Days after the issuance of the final financial statement report for a Fiscal Year by the Company's auditors, or as soon as practical thereafter, the Company shall send to each Person who was a Member at any time during such Fiscal Year, a statement showing such Member's final state tax apportionment information and allocations to the Members of taxable income, gains, losses, deductions and credits for such Fiscal Year and a completed IRS Schedule K-1. Each Member shall notify the other Members and the Manager upon receipt of any notice of tax examination of the Company by federal, state or local authorities. Subject to the terms and conditions of this Agreement, in its capacity as Partnership Representative, USCo shall have the authority to prepare the tax returns of the Company using such permissible methods and elections as it determines in its reasonable discretion, including the use of any permissible method under Section 706 of the Code for purposes of determining the varying Company Interests of its Members, provided, however, at the written request of any Class B Unitholder, the Company shall use the interim closing of the books method with respect to such Class B Unitholder's allocation of taxable income, gain, loss or deduction with respect to its transferred Class B Units, but only to the extent the use of such method would not have a material and disproportionately adverse impact on any other Member or otherwise cause the Company to incur material, unreimbursed costs relative to another available method.

Section 9.02 Tax Elections. Unless otherwise determined by the Manager in its sole discretion, the Taxable Year shall be the Fiscal Year set forth in Section 8.02. The Company and any eligible Subsidiary shall make an election pursuant to Section 754 of the Code, and shall not thereafter revoke such election. Each Member will upon request supply any information reasonably necessary to give proper effect to any such elections. Neither the Company, nor any Member, nor the Manager may take any action that would cause the Company (or successor in interest to the Company) to be taxed as other than a "partnership" for federal (and if applicable state and local) income tax purposes, including but not limited to by filing an IRS Form 8832, Entity Classification Election.

Section 9.03 Tax Controversies. Pursuant to the Revised Partnership Audit Provisions, USCo shall be designated and may, on behalf of the Company, at any time, and without further notice to or consent from any Member, act as the "partnership representative" of the Company (within the meaning given to such term in Section 6223 of the Code) (the "***Partnership Representative***") for purposes of the Code. The Partnership Representative shall designate an individual satisfying the requirements of Proposed Treasury Regulations Section 301.6223-1(b)(2) and Proposed Treasury Regulations Section 301.6223-1(b)(4), as each may be amended or re-designated upon finalization, to serve as the sole individual through which it will act in its capacity as the Partnership Representative. The Partnership Representative shall have the right and obligation to take all actions authorized and required, respectively, by the Code for the Partnership Representative and is authorized and required to represent the Company (at the Company's expense) in connection with all examinations of the Company's affairs by tax authorities, including resulting administrative and judicial proceedings, and to expend Company funds for professional services reasonably incurred in connection therewith. Each Member agrees to cooperate with the Company and to do or refrain from doing any or all things reasonably requested by the Company with respect to the conduct of such proceedings. The Partnership Representative shall keep all Members fully advised on a current basis of any contacts by or discussions with the tax authorities. Nothing herein shall diminish, limit or restrict the rights of any Member under the Revised Partnership Audit Provisions.

Section 9.04 Withholding.

(a) To the extent the Company is required by applicable Laws or any tax treaty to withhold or to otherwise make tax payments on behalf of or with respect to any Member or affiliate of such Member, the Company shall withhold and make such tax payments as so required. To the extent that any Distributions that would otherwise be made to such Member at or about the time when the Company will make such tax payment equal or exceed the amount of such tax payments, the amount of such tax payments shall constitute an advance by the Company to such Member and shall be repaid to the Company by reducing the amount of the current Distributions that would otherwise have been made to such Member. To the extent that such tax payments exceed the Distributions that would otherwise be made to such Member at or about the time when the Company will make the tax payments, such Member shall make a Capital Contribution equal to the difference between the amount of the tax payment and the amount of such Member's Distribution at such time and the difference shall be deemed a "cash call" with respect to such Member. If such Member fails to pay such "cash call" within the later of five (5) days prior to the date that such tax payment by the Company will be made or fifteen (15) days from notice from the Company that a tax payment will be made on behalf of such Member, in order to permit the Company to make the relevant tax payment, any other Member may elect to make a Capital Contribution equal to the "cash call" that the owing Member failed to make or to reduce the Distributions that would otherwise be made to such other Member at or about the time when the Company will make the tax payment in a similar amount.

(b) If such other Member, by reason of such a payment (or deemed payment) on behalf of an owing Member made pursuant to Section 9.04(a), is required by applicable Laws or any tax treaty to withhold or to make tax payments on behalf of or with respect to the owing Member, any such tax payments by such other Member shall be treated for purposes of this Agreement only as if such tax payments had been Capital Contributions and had been tax payments made by the Company pursuant to Section 9.04(a).

(c) In the event any Member transfers or otherwise disposes of an interest in the Company and otherwise fails to deliver an IRS Form W-9 or another validly executed and timely provided certificate as provided in Code Section 1446(f) or Treasury Regulations to be promulgated thereunder, such Person shall either: (i) deliver to the Company, not less than three (3) Business Days prior to the effective time of any transfer or other disposition, cash constituting 10% of the total consideration price to be received by such Person pursuant to such transfer or other disposition; or (ii) deliver to the Company, not less than three (3) Business Days prior to the effective time of any transfer or other disposition, adequate security with a fair market value equal to, or exceeding, 10% of the total consideration price to be received by such Person pursuant to such transfer or other disposition, which cash or security may be used by the Company to satisfy any withholding taxes applicable to such transfer or other disposition in accordance with applicable Law.

ARTICLE X.
RESTRICTIONS ON TRANSFER OF UNITS

Section 10.01 Transfers by Members. No holder of Units may Transfer any interest in any Units, except Transfers (a) pursuant to and in accordance with Section 10.02 or (b) approved in writing by the Manager. Notwithstanding the foregoing, "Transfer" shall not include an event that terminates the existence of a Member for income tax purposes (including a change in entity classification of a Member under Treasury Regulations Section 301.7701-3, termination of a partnership pursuant to Code Section 708(b)(1), a sale of assets by, or liquidation of, a Member pursuant to an election under Code Sections 336 or 338, or merger, severance, or allocation within a trust or among sub-trusts of a trust that is a Member), but that does not terminate the existence of such Member under applicable state law (or, in the case of a trust that is a Member, does not terminate the trusteeship of the fiduciaries under such trust with respect to all the Company Interests of such trust that is a Member).

Section 10.02 Permitted Transfers. The restrictions contained in Section 10.01 shall not apply to any Transfer (each, a "***Permitted Transfer***") pursuant to (i)(A) a Redemption or Exchange in accordance with Article XI hereof or (B) a Transfer by a Member to Pubco or any of its Subsidiaries including Acreage, USCo and USCo2; (ii) a Transfer by any Member to such Member's spouse, any lineal ascendants or descendants or trusts or other entities in which such Member or Member's spouse, lineal ascendants or descendants hold (and continue to hold while such trusts or other entities hold Units) 50% or more of such entity's beneficial interests; (iii) the laws of descent and distribution and (iv) a Transfer to a partner, shareholder, unitholder, member or Affiliated investment fund of such Member; *provided, however*, that (A) the restrictions contained in this Agreement will continue to apply to Units after any Permitted Transfer of such Units, and (B) in the case of the foregoing clauses (ii), (iii) and (iv), the transferees of the Units so Transferred shall agree in writing to be bound by the provisions of this Agreement and, the transferor will deliver a written notice to the Company, which notice will disclose in reasonable detail the identity of the proposed transferee. All Permitted Transfers are subject to the additional limitations set forth in Section 10.07(b).

Section 10.03 Restricted Units Legend. The Units have not been registered under the Securities Act and, therefore, in addition to the other restrictions on Transfer contained in this Agreement, cannot be sold unless subsequently registered under the Securities Act or an exemption from such registration is then available. To the extent such Units have been certificated, each certificate evidencing Units and each certificate issued in exchange for or upon the Transfer of any Units (if such securities remain Units as defined herein after such Transfer) shall be stamped or otherwise imprinted with a legend in substantially the following form:

> "THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND MAY NOT BE SOLD OR TRANSFERRED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT OR AN EXEMPTION FROM REGISTRATION THEREUNDER. THE SECURITIES REPRESENTED BY THIS CERTIFICATE ARE ALSO SUBJECT TO ADDITIONAL RESTRICTIONS ON TRANSFER SPECIFIED IN THE FOURTH AMENDED AND RESTATED OPERATING AGREEMENT OF HIGH STREET CAPITAL PARTNERS, LLC, D/B/A ACREAGE HOLDINGS, AS MAY BE AMENDED AND MODIFIED FROM TIME TO TIME, AND HIGH STREET CAPITAL PARTNERS, LLC, D/B/A ACREAGE HOLDINGS RESERVES THE RIGHT TO REFUSE THE TRANSFER OF SUCH SECURITIES UNTIL SUCH CONDITIONS HAVE BEEN FULFILLED WITH RESPECT TO ANY TRANSFER. A COPY OF SUCH CONDITIONS SHALL BE FURNISHED BY HIGH STREET CAPITAL PARTNERS, LLC, D/B/A ACREAGE HOLDINGS TO THE HOLDER HEREOF UPON WRITTEN REQUEST AND WITHOUT CHARGE."

The Company shall imprint such legend on certificates (if any) evidencing Units. The legend set forth above shall be removed from the certificates (if any) evidencing any units which cease to be Units in accordance with the definition thereof.

Section 10.04 Transfer. Prior to Transferring any Units, the Transferring holder of Units shall cause the prospective transferee to be bound by this Agreement as provided in Section 10.02 and any other agreements executed by the holders of Units and relating to such Units in the aggregate (collectively, the "***Other Agreements***"), and shall cause the prospective transferee to execute and deliver to the Company and the other holders of Units counterparts of this Agreement and any applicable Other Agreements. Any Transfer or attempted Transfer of any Units in violation of any provision of this Agreement (including any prohibited indirect Transfers) shall be void, and in the event of any such Transfer or attempted Transfer, the Company shall not record such Transfer on its books or treat any purported transferee of such Units as the owner of such securities for any purpose.

Section 10.05 Assignee's Rights.

(a) The Transfer of a Company Interest in accordance with this Agreement shall be effective as of the date of its assignment (assuming compliance with all of the conditions to such Transfer set forth herein), and such Transfer shall be shown on the books and records of the Company. Profits, Losses and other Company items shall be allocated between the transferor and the Assignee according to Code Section 706, using any permissible method as determined in the reasonable discretion of the Manager. Distributions made before the effective date of such Transfer shall be paid to the transferor, and Distributions made after such date shall be paid to the Assignee.

(b) Unless and until an Assignee becomes a Member pursuant to ARTICLE XII, the Assignee shall not be entitled to any of the rights granted to a Member hereunder or under applicable Law, other than the rights granted specifically to Assignees pursuant to this Agreement; *provided, however*, that, without relieving the transferring Member from any such limitations or obligations as more fully described in Section 10.06, such Assignee shall be bound by any limitations and obligations of a Member contained herein that a Member would be bound on account of the Assignee's Company Interest (including the obligation to make Capital Contributions on account of such Company Interest).

Section 10.06 Assignor's Rights and Obligations. Any Member who shall Transfer any Company Interest in a manner in accordance with this Agreement shall cease to be a Member with respect to such Units or other interest and shall no longer have any rights or privileges, or, except as set forth in this Section 10.06, duties, liabilities or obligations, of a Member with respect to such Units or other interest (it being understood, however, that the applicable provisions of Sections 6.08 and 7.04 shall continue to inure to such Person's benefit), except that unless and until the Assignee (if not already a Member) is admitted as a Substituted Member in accordance with the provisions of ARTICLE XII (the "***Admission Date***"), such assigning Member shall retain all of the duties, liabilities and obligations of a Member with respect to such Units or other interest, and the Manager may, in its sole discretion, reinstate all or any portion of the rights and privileges of such Member with respect to such Units or other interest for any period of time prior to the Admission Date. Nothing contained herein shall relieve any Member who Transfers any Units or other interest in the Company from any liability of such Member to the Company with respect to such Company Interest that may exist on the Admission Date or that is otherwise specified in the Act and incorporated into this Agreement or for any liability to the Company or any other Person for any materially false statement made by such Member (in its capacity as such) or for any present or future breaches of any representations, warranties or covenants by such Member (in its capacity as such) contained herein or in the other agreements with the Company.

Section 10.07 Overriding Provisions.

(a) Any Transfer in violation of this Article X shall be null and void *ab initio*, and the provisions of Sections 10.05 and 10.06 shall not apply to any such Transfers. For the avoidance of doubt, any Person to whom a Transfer is made or attempted in violation of this Article X shall not become a Member, shall not be entitled to vote on any matters coming before the Members and shall not have any other rights in or with respect to any rights of a Member of the Company. The approval of any Transfer in any one or more instances shall not limit or waive the requirement for such approval in any other or future instance. The Manager shall promptly amend the Schedule of Members to reflect any Permitted Transfer pursuant to this Article X.

(b) Notwithstanding anything contained herein to the contrary (including, for the avoidance of doubt, the provisions of Section 10.01 and Article XI and Article XII), in no event shall any Member Transfer any Units to the extent such Transfer could, in the reasonable determination of the Manager:

(i) result in a violation of the Securities Act, or any other applicable federal, state or foreign Laws;

(ii) cause an assignment under the Investment Company Act;

(iii) be a violation of or a default (or an event that, with notice or the lapse of time or both, would constitute a default) under, or result in an acceleration of any indebtedness under, any promissory note, mortgage, loan agreement, indenture or similar instrument or agreement to which the Company or the Manager is a party; *provided* that the payee or creditor to whom the Company or the Manager owes such obligation is not an Affiliate of the Company or the Manager;

(iv) cause the Company to lose its status as a partnership for federal income tax purposes or, without limiting the generality of the foregoing, such Transfer was effected on or through an "established securities market" or a "secondary market or the substantial equivalent thereof," as such terms are used in Section 1.7704-1 of the Treasury Regulations;

(v) be a Transfer to a Person who is not legally competent or who has not achieved his or her majority under applicable Law (excluding trusts for the benefit of minors);

(vi) cause the Company or any Member or the Manager to be treated as a fiduciary under the Employee Retirement Income Security Act of 1974, as amended;

(vii) cause the Company (as determined by the Manager in its sole discretion) to be treated as a "publicly traded partnership" or to be taxed as a corporation pursuant to Section 7704 of the Code or successor provision of the Code; or

(viii) result in the Company having more than one hundred (100) "partners", within the meaning of Treasury Regulations Section 1.7704-1(h)(1) (determined pursuant to the rules of Treasury Regulations Section 1.7704-1(h)(3)) in any Taxable Year that is not a Restricted Taxable Year.

ARTICLE XI.
REDEMPTION AND EXCHANGE RIGHTS; COMPANY OR USCO OPTION

Section 11.01 Redemption Right of a Member.

(a) *Redemption Notice*.

(i) Subject to the provisions set forth in this Section 11.01, each Class B Unitholder (other than USCo2) shall be entitled (the "***Redemption Right***") to cause the Company to redeem its Class B Units at any time after the Effective Time, unless such Class B Unitholder has entered into a contractual lock-up agreement in connection with the Arrangement Agreement, Floating Share Arrangement Agreement, or otherwise and relating to the shares of Acreage or Pubco that may be applicable to such Class B Unitholder, and then beginning on the date such lock-up agreement has been waived or terminated as it applies to such Class B Unitholder (the "***Redemption***"). A Class B Unitholder desiring to exercise its Redemption Right (the "***Redeeming Member***") shall exercise such right by giving written notice (the "***Redemption Notice***") to the Company with a copy to the Manager, to Acreage and to Pubco. The Redemption Notice shall specify (i) the number of Class B Units (the "***Redeemed Units***") that the Redeeming Member intends to have the Company redeem; *provided* that the proportion of Redeemed Units subject to a Redemption by a Redeeming Member must be 70% Class B Fixed Units and 30% Class B Floating Units; and (ii) a date (unless and to the extent that the Manager in its sole discretion agrees in writing to waive such time periods) on which exercise of the Redemption Right shall be completed, which complies with the requirements set forth in Section 11.01(a)(ii) (the "***Redemption Date***"); *provided* that (x) if the Redemption Date occurs in a Restricted Taxable Year, the Redemption Date must be a date that satisfies the conditions of Section 11.01(a)(ii), and (y) the Company, the Manager and the Redeeming Member may change the number of Redeemed Units and/or the Redemption Date specified in such Redemption Notice to another number and/or date by mutual agreement signed in writing by each of them. Unless the Redeeming Member has revoked or delayed a Redemption as provided in Section 11.01(c), on the Redemption Date (to be effective immediately prior to the close of business on the Redemption Date) (A) the Redeeming Member shall transfer and surrender the Redeemed Units to the Company, free and clear of all liens and encumbrances, and (B) the Company shall transfer to the Redeeming Member the consideration to which the Redeeming Member is entitled under Section 11.01(b), *provided that*, if such Units are certificated, the Company shall issue to the Redeeming Member a certificate for a number of Class B Units equal to the difference (if any) between the number of Class B Units evidenced by the certificate surrendered by the Redeeming Member pursuant to clause (B) of this Section 11.01(a)(ii) and the Redeemed Units.

(ii) Any Redemption Date that occurs in a Restricted Taxable Year must be a Quarterly Redemption Date not less than sixty (60) days after delivery of the applicable Redemption Notice. Any Redemption Date that occurs in a year that is not a Restricted Taxable Year must be not less than seven (7) Business Days nor more than ten (10) Business Days after delivery of the applicable Redemption Notice.

(b) In exercising its Redemption Right, a Redeeming Member shall be entitled to receive the following:

(i) In the event that Canopy USA has acquired the Class B Floating Shares under the Floating Share Arrangement Agreement (the "***Floating Share Acquisition***"), the Share Settlement or the Cash Settlement; *provided* that the Manager shall have the option as provided in Section 11.02 and subject to Section 11.01(d) to select whether the redemption payment is made by means of a Share Settlement or a Cash Settlement.

(ii) In the event that Canopy USA has not completed the Floating Share Acquisition, the Class B Floating Share Settlement or the Class B Floating Cash Settlement for the Class B Floating Units and the Class B Fixed Share Settlement or the Class B Fixed Cash Settlement for the Class B Fixed Units; *provided* that the Manager shall have the option as provided in Section 11.02 and subject to Section 11.01(d) to select whether the redemption payment relating to the (i) Class B Floating Units is made by means of a Class B Floating Share Settlement or a Class B Floating Cash Settlement, and (ii) Class B Fixed Units is made by means of a Class B Fixed Share Settlement or a Class B Floating Cash Settlement.

(iii) Within three (3) Business Days of delivery of the Redemption Notice, the Manager shall give written notice (the "***Contribution Notice***") to the Company (with a copy to the Redeeming Member) of its intended settlement method; *provided* that if the Manager does not timely deliver a Contribution Notice, the Manager shall be deemed to have elected the Share Settlement method or the Class B Floating Share Settlement method with respect to the Class B Floating Units and the Class B Fixed Share Settlement method with respect to the Class B Fixed Units, as applicable.

(c) In the event the Manager elects a Share Settlement, a Class B Fixed Share Settlement, or a Class B Floating Share Settlement, as applicable, in connection with a Redemption, a Redeeming Member shall be entitled to receive the Share Settlement, the Class B Fixed Share Settlement, or the Class B Floating Share Settlement, as applicable. A Redeeming Member shall be entitled to revoke its Redemption Notice or delay the consummation of a Redemption if any of the following conditions exists: (i) any registration statement pursuant to which the resale of the Pubco Shares or Acreage Shares, as applicable, to be registered for such Redeeming Member at or immediately following the consummation of the Redemption shall have ceased to be effective pursuant to any action or inaction by the CSE or any other Governmental Entity having jurisdiction over the Pubco Shares or Acreage Shares, as applicable, or no such resale registration statement has yet become effective; (ii) if the Redemption is conditional on the resulting Pubco Shares or Acreage Shares, as applicable, being qualified for distribution under a prospectus on terms which Pubco or Acreage, as applicable, has agreed to and Pubco or Acreage, as applicable, shall have failed to cause such a prospectus to be filed and receipted by the applicable securities regulatory authorities in accordance with the conditions to the Redemption; (iii) Pubco or Acreage, as applicable, shall have exercised its right to defer, delay or suspend the filing or effectiveness of a registration statement and such deferral, delay or suspension shall affect the ability of such Redeeming Member to have its Pubco Shares or Acreage Shares, as applicable, registered at or immediately following the consummation of the Redemption; (iv) Pubco or Acreage, as applicable, shall have disclosed to such Redeeming Member any material non-public information concerning Pubco or Acreage, as applicable, the receipt of which could reasonably be determined to result in such Redeeming Member being prohibited or restricted from selling Pubco Shares or Acreage Shares, as applicable, at or immediately following the Redemption without disclosure of such information (and Pubco or Acreage, as applicable, does not permit disclosure); (v) any stop order or cease trade order relating to the Pubco Shares or Acreage Shares, as applicable, shall have been issued by the CSE or any other applicable exchange or an applicable securities regulatory authority; (vi) there shall have occurred a material disruption in the securities markets generally or in the market or markets in which the Pubco Shares or Acreage Shares, as applicable, are then traded; (vii) there shall be in effect an injunction, a restraining order or a decree of any nature of any Governmental Entity that restrains or prohibits the Redemption; or (viii) the Redemption Date would occur three (3) Business Days or less prior to, or during, a Black-Out Period; *provided further*, that in no event shall the Redeeming Member seeking to revoke its Redemption Notice or delay the consummation of such Redemption and relying on any of the matters contemplated in clauses (i) through (viii) above have controlled or intentionally materially influenced any facts, circumstances, or Persons in connection therewith (except in the good faith performance of his or her duties as an officer or director of Pubco or Acreage, as applicable) in order to provide such Redeeming Member with a basis for such delay or revocation. If a Redeeming Member delays the consummation of a Redemption pursuant to this Section 11.01(c), the Redemption Date shall occur on the fifth (5^{th}) Business Day following the date on which the conditions giving rise to such delay cease to exist (or such earlier day as the Manager, Pubco or Acreage, as applicable, the Company and such Redeeming Member may agree in writing)

(d) The number of Pubco Shares, Acreage Shares, or the Redeemed Units Equivalent, Class B Fixed Redeemed Units Equivalent or Class B Floating Redeemed Units Equivalent that a Redeeming Member is entitled to receive under Section 11.01(b)(i) (through a Share Settlement or Cash Settlement, as applicable) or Section 11.01(b)(ii) (through a Class B Floating Share Settlement or Class B Floating Cash Settlement, or Class B Fixed Share Settlement or Class B Fixed Cash Settlements as applicable) shall not be adjusted on account of any Distributions previously made with respect to the Redeemed Units or dividends previously paid with respect to Pubco Shares or Acreage Shares, as applicable; *provided, however*, that if a Redeeming Member causes the Company to redeem Redeemed Units and the Redemption Date occurs subsequent to the record date for any Distribution with respect to the Redeemed Units but prior to payment of such Distribution, the Redeeming Member shall be entitled to receive such Distribution with respect to the Redeemed Units on the date that it is made notwithstanding that the Redeeming Member transferred and surrendered the Redeemed Units to the Company prior to such date.

(e) In the event of a reclassification or other similar transaction as a result of which either the Pubco Shares or the Acreage Shares are converted into another security, then in exercising its Redemption Right a Redeeming Member shall be entitled to receive the amount of such security that the Redeeming Member would have received if such Redemption Right had been exercised and the Redemption Date had occurred immediately prior to the record date (or effective date in the event that there is no associated record date) of such reclassification or other similar transaction.

(f) Notwithstanding anything to the contrary contained herein, each of the Company, the Manager and Pubco or Acreage, as applicable, shall not be obligated to effectuate a Redemption if such Redemption (in the sole discretion of the Manager) could cause the Company to be treated as a "publicly traded partnership" or to be taxed as a corporation pursuant Section 7704 of the Code or successor provisions of the Code.

Section 11.02 Election of USCo and Redemption of Redeemed Units. In connection with the exercise of a Redeeming Member's Redemption Right under Section 11.01(a), USCo shall contribute to the Company the consideration the Redeeming Member is entitled to receive under Section 11.01(b). USCo, at its option, shall determine whether to contribute, pursuant to Section 11.01(b), the Share Settlement or the Cash Settlement, the Class B Floating Share Settlement or the Class B Floating Cash Settlement, or the Class B Fixed Share Settlement or the Class B Fixed Cash Settlement, as applicable. Unless the Redeeming Member has revoked or delayed a Redemption as provided in Section 11.01(c), on the Redemption Date (to be effective immediately prior to the close of business on the Redemption Date) (i) USCo shall make its Capital Contribution to the Company (in the form of the Share Settlement or the Cash Settlement, the Class B Floating Share Settlement or the Class B Floating Cash Settlement, or the Class B Fixed Share Settlement or the Class B Fixed Cash Settlement, as applicable) required under this Section 11.02, and (ii) the Company shall issue to USCo a number of Class A Units equal to the number of Redeemed Units surrendered by the Redeeming Member. Notwithstanding any other provisions of this Agreement to the contrary, in the event that USCo elects (i) a Cash Settlement or a Class B Fixed Cash Settlement, USCo shall only be obligated to contribute to the Company an amount in respect of such Cash Settlement or Class B Fixed Cash Settlement, as applicable, equal to the net proceeds from the sale by Pubco of a number of Pubco Shares equal to the number of Redeemed Units to be redeemed with such Cash Settlement or Class B Fixed Cash Settlement *provided* that USCo's Capital Account shall be increased by an amount equal to any Discount relating to such sale of shares of Pubco Shares in accordance with Section 6.06, or (ii) a Class B Floating Cash Settlement, USCo shall only be obligated to contribute to the Company an amount in respect of such Class B Floating Cash Settlement equal to the net proceeds from the sale by Acreage of a number of Acreage Shares equal to the number of Redeemed Units to be redeemed with such Class B Floating Cash Settlement *provided* that USCo's Capital Account shall be increased by an amount equal to any Discount relating to such sale of shares of Acreage Shares in accordance with Section 6.06. The timely revocation of a Redemption as provided in Section 11.01(c) shall terminate all of the Company's and USCo's rights and obligations under this Section 11.02 arising from the Redemption Notice.

Section 11.03 Exchange Right of USCo.

(a) Notwithstanding anything to the contrary in this Article XI, USCo may, in its sole and absolute discretion, elect to effect on the Redemption Date the exchange of (i) Redeemed Units for the Share Settlement or Cash Settlement, as the case may be through a direct exchange of such Redeemed Units and such consideration between the Redeeming Member and USCo, or (ii) Redeemed Units for the Class B Fixed Share Settlement or the Class B Fixed Cash Settlement or the Class B Floating Share Settlement or the Class B Floating Cash Settlement, as the case may be, through a direct exchange of such Redeemed Units and such consideration between the Redeeming Member and USCo (each of (i) and (ii), a "***Direct Exchange***"). Upon such Direct Exchange pursuant to this Section 11.03, USCo shall acquire the Redeemed Units and shall be treated for all purposes of this Agreement as the owner of such Redeemed Units.

(b) USCo may, at any time prior to a Redemption Date, deliver written notice (an "***Exchange Election Notice***") to the Company and the Redeeming Member setting forth its election to exercise its right to consummate a Direct Exchange; *provided* that such election does not prejudice the ability of the parties to consummate a Redemption or Direct Exchange on the Redemption Date. An Exchange Election Notice may be revoked by USCo at any time; *provided* that any such revocation does not prejudice the ability of the parties to consummate a Redemption or Direct Exchange on the Redemption Date. The right to consummate a Direct Exchange in all events shall be exercisable for all the Redeemed Units that would have otherwise been subject to a Redemption. Except as otherwise provided by this Section 11.03, a Direct Exchange shall be consummated pursuant to the same timeframe and in the same manner as the relevant Redemption would have been consummated if USCo had not delivered an Exchange Election Notice.

(c) Notwithstanding the foregoing, USCo may, in its sole and absolute discretion, assign to Acreage its rights and obligations under this Section 11.03 to consummate a Direct Exchange with the Redeeming Member.

Section 11.04 Effect of Exercise of Redemption or Exchange Right. This Agreement shall continue notwithstanding the consummation of a Redemption or Direct Exchange and all governance or other rights set forth herein shall be exercised by the remaining Members and the Redeeming Member (to the extent of such Redeeming Member's remaining interest in the Company). No Redemption or Direct Exchange shall relieve such Redeeming Member of any prior breach of this Agreement.

Section 11.05 Tax Treatment. Unless otherwise required by applicable Law, the parties hereto acknowledge and agree a Redemption or a Direct Exchange, as the case may be, shall be treated as a direct exchange between USCo, or Acreage, and the Redeeming Member for U.S. federal and applicable state and local income tax purposes.

Section 11.06 Company or USCo Option. At any time immediately following the Effective Time, if Canopy USA has completed the Floating Share Acquisition, then Pubco shall have an option to acquire all but not less than all of the outstanding Class B Units (other than those held by USCo2) for the Share Settlement (the "***Class B Share Option***"), which shall be exercisable by written notice to each of the Class B Unitholders. In the event that Canopy USA has not completed the Floating Share Acquisition, then Pubco shall not have the Class B Share Option but shall only have the option to acquire all but not less than all of the outstanding Class B Fixed Units (other than those held by USCo2) for the Class B Fixed Share Settlement (the "***Pubco Fixed Share Option***"). If Pubco exercises the Pubco Fixed Share Option then (i) Pubco shall complete the exchange of the Class B Fixed Units for the Class B Fixed Share Settlement as if each Class B Unitholder had exercised its Redemption Right pursuant to Section 11.01, and (ii) the Company or USCo, as applicable, shall complete the exchange of the Class B Floating Units for the Class B Floating Share Settlement as if each Class B Unitholder had exercised its Redemption Right pursuant to Section 11.01.

ARTICLE XII.
ADMISSION OF MEMBERS

Section 12.01 Substituted Members. Subject to the provisions of ARTICLE X hereof, in connection with the Permitted Transfer of a Company Interest hereunder, the transferee shall become a substituted Member ("***Substituted Member***") on the effective date of such Permitted Transfer, which effective date shall not be earlier than the date of compliance with the conditions to such Transfer, and such admission shall be shown on the books and records of the Company.

Section 12.02 Additional Members. Subject to the provisions of ARTICLE X hereof, any Person that is not an Original Member may be admitted to the Company as an additional Member (any such Person, an "***Additional Member***") only upon furnishing to the Manager (a) counterparts of this Agreement and any applicable Other Agreements and (b) such other documents or instruments as may be reasonably necessary or appropriate to effect such Person's admission as a Member (including entering into such documents as the Manager may deem appropriate in its reasonable discretion). Such admission shall become effective on the date on which the Manager determines in its reasonable discretion that such conditions have been satisfied and when any such admission is shown on the books and records of the Company.

ARTICLE XIII.
WITHDRAWAL AND RESIGNATION; MEMBERS' REPRESENTATIONS; TERMINATION OF RIGHTS

Section 13.01 Withdrawal and Resignation of Members. No Member shall have the power or right to withdraw or otherwise resign as a Member from the Company prior to the dissolution and winding up of the Company pursuant to ARTICLE XIV. Any Member, however, that attempts to withdraw or otherwise resign as a Member from the Company without the prior written consent of the Manager upon or following the dissolution and winding up of the Company pursuant to ARTICLE XIV, but prior to such Member receiving the full amount of Distributions from the Company to which such Member is entitled pursuant to ARTICLE XIV, shall be liable to the Company for all damages (including all lost profits and special, indirect and consequential damages) directly or indirectly caused by the withdrawal or resignation of such Member. Upon a Transfer of all of a Member's Units in a Transfer permitted by this Agreement, subject to the provisions of Section 10.06, such Member shall cease to be a Member.

Section 13.02 Required Withdrawals.

(a) Any Member ("***Subject Member***") may, in the sole discretion of the Manager, be required to fully withdraw from the Company and sell all of such Subject Member's Units to the Company if: (i) the Subject Member or an Affiliate of such Member has been convicted of a misdemeanor involving fraud, deceit or embezzlement or any felony by a court of competent jurisdiction, with respect to which conviction any further right of the Subject Member or Affiliate of such Member to appeal shall have been exhausted or expired, or (ii) the Subject Member or an Affiliate of such Member has been convicted by a court of competent jurisdiction of violating securities laws or commodities trading laws, with respect to which conviction any further right of the Subject Member or Affiliate of such Member to appeal shall have been exhausted or expired, or (iii) the Securities and Exchange Commission, Financial Industry Regulatory Authority Inc., Commodities Futures Trading Commission, National Futures Association or any other regulatory or administrative agency which oversees or regulates investment activities determines that the Subject Member or an Affiliate of such Member has violated a rule or regulation of such commission, association or agency, with respect to which conviction any further right of the Subject Member or Affiliate of such Member to appeal shall have been exhausted or expired.

(b) Without limiting Section 13.02(a), in the event that any Member ("***Indicted/Investigated Member***") or an Affiliate of such Member has been indicted for any of the offenses or violations listed in clauses (i) or (ii) of Section 13.02(a), or is subject to an investigation by a regulatory agency of the type listed in clause (iii) of Section 13.02(a) regarding violation of a rule or regulation: (x) such Indicted/Investigated Member will be required to withdraw from the Company and sell all of such Member's Units to the Company, if so requested to withdraw by the determination of the Manager in its sole discretion, or (y) the Manager may propose such other sanction or arrangement, to be agreed upon by the Indicted/Investigated Member or Affiliate of such Member, regarding the relationship between the Company and the Indicted/Investigated Member or Affiliate of such Member.

(c) Members' Representations.

(i) Each Member represents, warrants and covenants that (which representation, warranty and covenant shall be in addition to and not in lieu of any other representation, warranty and covenant given by such Member to the Company in any other agreement between such Member and the Company):

1. such Member has all requisite power and authority to enter into this Agreement and perform such Member's obligations hereunder;

2. (A) this Agreement has been duly and validly executed and delivered by such Member and is enforceable against it, in accordance with its terms, and (B) the performance of such Member's obligations hereunder shall not conflict or result in the violation of, any agreement, lease, instrument, license, permit or other authorization applicable to such Member;

3. such Member acknowledges that its Units are subject to transfer restrictions and consents that stop transfer instructions in respect of the Units may be issued to any transfer agent, transfer clerk or other agent at any time acting for the Company;

4. such Member acknowledges that purchase of the Units may involve tax consequences. The Member confirms that he or she is not relying on any statements or representations of the Company or any of its agents or legal counsel with respect to the tax and other economic considerations of an investment in the Interests and acknowledges that the Member must retain his or her own professional advisors to evaluate the federal, state and local tax and other economic considerations of an investment in the Interests. The Member also acknowledges that he or she is solely responsible for any of his or her own tax liability that may arise as a result of this investment or the transactions contemplated by this Agreement;

5. such Member acknowledges that the Company will review the representations, warranties and covenants contained in this Agreement without making any independent investigation, and that the representations, warranties and agreements made by the Member shall survive the execution and delivery of this Agreement and the purchase of the Units;

6. such Member hereby represents that, except as expressly set forth in this Agreement, no representations or warranties have been made to the Member by the Company or any agent, employee or Affiliate of the Company, and in entering into this transaction, the Peron is not relying on any information other than that which is the result of independent diligence; and

7. such Member acknowledges the risks associated with his, her, or its investment in the Company, especially as it pertains to the risks related to the cannabis and marijuana industry including, but not limited to: increased competition, illegality under federal law, new and evolving industry, changing laws, etc.

(ii) All of the foregoing representations and warranties and the foregoing indemnity shall survive the withdrawal of any Person and the termination of this Agreement.

(d) If (i) any of the representations given in (A) Section 13.02(c) or (B) any other agreement with the Company, by a Member ("***Misrepresenting Member***") or an Affiliate of such Member is materially false or ceases to be true in a respect which is, in the reasonable opinion of the Manager, materially adverse to the Company or the other Members, (ii) a Member ("***Breaching Member***") or an Affiliate of such Member has breached its agreements or obligations hereunder or thereunder and the consequences of such breach are, in the reasonable opinion of the Manager, materially adverse to the Company or the other Members, or (iii) the continued participation of any Member ("***Regulatory Adverse Member***") or an Affiliate of such Member in or with the Company or any Subsidiary or Affiliate of the Company would, in the Manager's reasonable opinion, cause undue risk of adverse tax, regulatory or other consequences to the Company or any Affiliate of the Company or would be materially detrimental to the business, operations or commercial reputation of the Company or any Subsidiary or Affiliate of the Company, the Manager may, upon written notice to the Misrepresenting Member, Breaching Member or Regulatory Adverse Member, as applicable, require such Misrepresenting Member, Breaching Member or Regulatory Adverse Member to fully withdraw from the Company and sell all of such Member's Units to the Company (irrespective of whether the subject misrepresentation, breach or regulatory consequence involves such Member or an Affiliate of such Member).

(e) A Member who is required to withdraw from the Company pursuant to this Section 13.02 (a "***Required Withdrawal***") shall be entitled to receive, in exchange for all of such Member's outstanding Units, the fair market value of such Units, as determined by the Manager, in its sole discretion. The foregoing purchase price shall be paid, at the sole option of the Manager, in either (i) one lump sum cash payment or (ii) by the delivery of the Company to such Member of an unsecured promissory note, in form prescribed by the Company, providing for the payment of such purchase price in three equal annual installments, together with accrued and unpaid interest at the Applicable Federal Rate, with the first of such installments beginning on the closing of such repurchase by the Company (except that the Company may, in the sole discretion of the Manager, prepay such installments at any time without premium or penalty), which closing shall be at a time and place as selected by the Manager and communicated to such Member.

(f) A Member subject to a Required Withdrawal shall execute all documents in connection with his, her or its withdrawal from the Company as the Manager shall reasonably require.

ARTICLE XIV.
DISSOLUTION AND LIQUIDATION

Section 14.01 Dissolution. The Company shall not be dissolved by the admission of Additional Members or Substituted Members or the attempted withdrawal or resignation of a Member. The Company shall dissolve, and its affairs shall be wound up, upon:

(a) the decision of the Manager together with the holders of a majority of the then-outstanding Common Units entitled to vote to dissolve the Company;

(b) a dissolution of the Company under the Act; or

(c) the entry of a decree of judicial dissolution of the Company under the Act.

Except as otherwise set forth in this ARTICLE XIV, the Company is intended to have perpetual existence. An Event of Withdrawal shall not cause a dissolution of the Company and the Company shall continue in existence subject to the terms and conditions of this Agreement.

Section 14.02 Liquidation and Termination. On dissolution of the Company, the Manager shall act as liquidator or may appoint one or more Persons as liquidator. The liquidators shall proceed diligently to wind up the affairs of the Company and make final Distributions as provided herein and in the Act. The costs of liquidation shall be borne as a Company expense. Until final distribution, the liquidators shall continue to operate the Company properties with all of the power and authority of the Manager. The steps to be accomplished by the liquidators are as follows:

(a) as promptly as possible after dissolution and again after final liquidation, the liquidators shall cause a proper accounting to be made by a recognized firm of certified public accountants of the Company's assets, liabilities and operations through the last day of the calendar month in which the dissolution occurs or the final liquidation is completed, as applicable;

(b) the liquidators shall cause the notice described in the Act to be mailed to each known creditor of and claimant against the Company in the manner described thereunder;

(c) the liquidators shall pay, satisfy or discharge from Company funds, or otherwise make adequate provision for payment and discharge thereof (including the establishment of a cash fund for contingent liabilities in such amount and for such term as the liquidators may reasonably determine): first, all expenses incurred in liquidation; and second, all of the debts, liabilities and obligations of the Company;

(d) all remaining assets of the Company shall be distributed to the Members (i) first to the Class B Unitholders, in an amount equal to their respective Class B Preferred Return Base Amount plus all outstanding an accrued Class B Preferred Return Amount, pro rata based on their Class B Units, and then (ii) the balance to the Class A Unitholders in accordance with their respective Percentage Interests at the end of the Taxable Year during which the liquidation of the Company occurs (or, if later, by ninety (90) days after the date of the liquidation). The distribution of cash and/or property to the Members in accordance with the provisions of this Section 14.02 and Section 14.03 below constitutes a complete return to the Members of their Capital Contributions and a complete distribution to the Members of their interest in the Company and all the Company's property. To the extent that a Member returns funds to the Company, such returning Member has no claim against any other Member for those funds; and

Section 14.03 Deferment; Distribution in Kind. Notwithstanding the provisions of Section 14.02, but subject to the order of priorities set forth therein, if upon dissolution of the Company the liquidators determine that an immediate sale of part or all of the Company's assets would be impractical or would cause undue loss (or would otherwise not be beneficial) to the Members, the liquidators may, in their sole discretion, defer for a reasonable time the liquidation of any assets except those necessary to satisfy Company liabilities (other than loans to the Company by Members) and reserves. Subject to the order of priorities set forth in Section 14.02, the liquidators may, in their sole discretion, distribute to the Members, in lieu of cash, either (a) all or any portion of such remaining Company assets in-kind in accordance with the provisions of Section 14.02(d), (b) as tenants in common and in accordance with the provisions of Section 14.02(d), undivided interests in all or any portion of such Company assets or (c) a combination of the foregoing. Any such Distributions in kind shall be subject to (y) such conditions relating to the disposition and management of such assets as the liquidators deem reasonable and equitable and (z) the terms and conditions of any agreements governing such assets (or the operation thereof or the holders thereof) at such time. Any Company assets distributed in kind will first be written up or down to their Fair Market Value, thus creating Profit or Loss (if any), which shall be allocated in accordance with ARTICLE V. The liquidators shall determine the Fair Market Value of any property distributed in accordance with the valuation procedures set forth in ARTICLE XV.

Section 14.04 Cancellation of Certificate. On completion of the distribution of Company assets as provided herein, the Company is terminated (and the Company shall not be terminated prior to such time), and the Manager (or such other Person or Persons as the Act may require or permit) shall file a certificate of cancellation with the Secretary of State of Delaware, cancel any other filings made pursuant to this Agreement that are or should be canceled and take such other actions as may be necessary to terminate the Company. The Company shall be deemed to continue in existence for all purposes of this Agreement until it is terminated pursuant to this Section 14.04.

Section 14.05 Reasonable Time for Winding Up. A reasonable time shall be allowed for the orderly winding up of the business and affairs of the Company and the liquidation of its assets pursuant to Sections 14.02 and 14.03 in order to minimize any losses otherwise attendant upon such winding up.

Section 14.06 Return of Capital. The liquidators shall not be personally liable for the return of Capital Contributions or any portion thereof to the Members (it being understood that any such return shall be made solely from Company assets).

ARTICLE XV.
VALUATION

Section 15.01 Determination. "***Fair Market Value***" of a specific Company asset will mean the amount which the Company would receive in an all-cash sale of such asset in an arms-length transaction with a willing unaffiliated third party, with neither party having any compulsion to buy or sell, consummated on the day immediately preceding the date on which the event occurred which necessitated the determination of the Fair Market Value (and after giving effect to any transfer taxes payable in connection with such sale), as such amount is determined by the Manager (or, if pursuant to Section 14.02, the liquidators) in its good faith judgment using all factors, information and data it deems to be pertinent.

Section 15.02 Dispute Resolution. If any Member or Members dispute the accuracy of any determination of Fair Market Value in accordance with Section 15.01, and the Manager and such Member(s) are unable to agree on the determination of the Fair Market Value of any asset of the Company, the Manager and such Member(s) shall each select a nationally recognized investment banking firm experienced in valuing securities of closely-held companies such as the Company in the Company's industry (the "***Appraisers***"), who shall each determine the Fair Market Value of the asset or the Company (as applicable) in accordance with the provisions of Section 15.01. The Appraisers shall be instructed to give written notice of their determination of the Fair Market Value of the asset or the Company (as applicable) within thirty (30) days of their appointment as Appraisers. If Fair Market Value as determined by an Appraiser is higher than Fair Market Value as determined by the other Appraiser by 10% or more, and the Manager and such Member(s) do not otherwise agree on a Fair Market Value, the original Appraisers shall designate a third Appraiser meeting the same criteria used to select the original two. If Fair Market Value as determined by an Appraiser is within 10% of the Fair Market Value as determined by the other Appraiser (but not identical), and the Manager and such Member(s) do not otherwise agree on a Fair Market Value, the Manager shall select the Fair Market Value of one of the Appraisers. The fees and expenses of the Appraisers shall be borne by the Company; *provided, however*, that if the Fair Market Value as determined through the appraisal method in this Section 15.02, is within 10% of the Fair Market Value originally determined by the Company under Section 15.01, the Member(s) electing to exercise their rights under this Section 15.02 shall bear all of the fees and expenses of the Appraisers.

ARTICLE XVI.
GENERAL PROVISIONS

Section 16.01 Power of Attorney.

(a) Each Member who is an individual hereby constitutes and appoints the Manager (or the liquidator, if applicable) with full power of substitution, as his or her true and lawful agent and attorney-in-fact, with full power and authority in his, her or its name, place and stead, to:

(i) execute, swear to, acknowledge, deliver, file and record in the appropriate public offices (A) this Agreement, all certificates and other instruments and all amendments thereof which the Manager deems appropriate or necessary to form, qualify, or continue the qualification of, the Company as a limited liability company in the State of Delaware and in all other jurisdictions in which the Company may conduct business or own property; (B) all instruments which the Manager deems appropriate or necessary to reflect any amendment, change, modification or restatement of this Agreement in accordance with its terms; (C) all conveyances and other instruments or documents which the Manager deems appropriate or necessary to reflect the dissolution and liquidation of the Company pursuant to the terms of this Agreement, including a certificate of cancellation; and (D) all instruments relating to the admission, withdrawal or substitution of any Member pursuant to ARTICLE XII or ARTICLE XIII; and

(ii) sign, execute, swear to and acknowledge all ballots, consents, approvals, waivers, certificates and other instruments appropriate or necessary, in the reasonable judgment of the Manager, to evidence, confirm or ratify any vote, consent, approval, agreement or other action which is made or given by the Members hereunder or is consistent with the terms of this Agreement, in the reasonable judgment of the Manager, necessary or appropriate to effectuate the terms of this Agreement.

(b) The foregoing power of attorney is irrevocable and coupled with an interest, and shall survive the death, disability, incapacity, dissolution, bankruptcy, insolvency or termination of any Member who is an individual and the transfer of all or any portion of his, her or its Company Interest and shall extend to such Member's heirs, successors, assigns and personal representatives.

Section 16.02 Confidentiality. The Manager and each of the Members agree to hold the Company's Confidential Information in confidence and may not use such information except (i) in furtherance of the business of the Company, (ii) as reasonably necessary for compliance with applicable law, including compliance with disclosure requirements under the Securities Act and the Exchange Act, and securities laws of other jurisdictions, or (iii) as otherwise authorized separately in writing by the Manager. "***Confidential Information***" as used herein includes, but is not limited to, ideas, financial product structuring, business strategies, innovations and materials, all aspects of the Company's business plan, proposed operation and products, corporate structure, financial and organizational information, analyses, proposed partners, software code and system and product designs, employees and their identities, equity ownership, the methods and means by which the Company plans to conduct its business, all trade secrets, trademarks, tradenames and all intellectual property associated with the Company's business. With respect to the Manager and each Member, Confidential Information does not include information or material that: (a) is rightfully in the possession of the Manager or each Member at the time of disclosure by the Company; (b) before or after it has been disclosed to the Manager or each Member by the Company, becomes part of public knowledge, not as a result of any action or inaction of the Manager or such Member, respectively, in violation of this Agreement; (c) is approved for release by written authorization of the Chief Executive Officer, or officer of equivalent position, of the Company, of USCo, of USCo2 or of Acreage; (d) is disclosed to the Manager or such Member or their representatives by a third party not, to the knowledge of the Manager or such Member, respectively, in violation of any obligation of confidentiality owed to the Company with respect to such information; or (e) is or becomes independently developed by the Manager or such Member or their respective representatives without use or reference to the Confidential Information.

Section 16.03 Amendments. This Agreement may not be amended or modified without the prior written consent of (a) Pubco, and (b) the Manager and Kevin Murphy for so long as Kevin Murphy is a Member, and in the event Kevin Murphy is no longer a Member, without the prior written consent of the Manager and the Members holding a majority of the Class B Units (other than USCo2). Notwithstanding the foregoing, no amendment or modification to any of the terms and conditions of this Agreement which terms and conditions expressly require the approval or action of certain Persons may be made without obtaining the consent of the requisite number or specified percentage of such Persons who are entitled to approve or take action on such matter.

Section 16.04 Title to Company Assets. Company assets shall be deemed to be owned by the Company as an entity, and no Member, individually or collectively, shall have any ownership interest in such Company assets or any portion thereof. The Company shall hold title to all of its property in the name of the Company and not in the name of any Member. All Company assets shall be recorded as the property of the Company on its books and records, irrespective of the name in which legal title to such Company assets is held. The Company's credit and assets shall be used solely for the benefit of the Company, and no asset of the Company shall be transferred or encumbered for, or in payment of, any individual obligation of any Member.

Section 16.05 Addresses and Notices. Any notice provided for in this Agreement will be in writing and will be either personally delivered, or received by electronic mail or certified mail, return receipt requested, sent by reputable overnight courier service (charges prepaid) to the Company or sent by email at the address set forth below and to any other recipient and to any Member at such address as indicated by the Company's records, or at such address or to the attention of such other person as the recipient party has specified by prior written notice to the sending party. Notices will be deemed to have been given hereunder when delivered personally, three (3) days after deposit in the U.S. mail and one (1) day after deposit with a reputable overnight courier service or transmission via e-mail (*provided* confirmation of transmission is received). The Company's address is:

to the Company:

High Street Capital Partners, LLC, d/b/a Acreage Holdings
366 Madison Avenue, 11th Floor
New York, New York 10017
Attn: James A. Doherty
Email: j.doherty@acreageholdings.com

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

Cozen O'Connor
1650 Market Street, Suite 2800
Philadelphia, Pennsylvania 19103
Attn: Joseph C. Bedwick
Email: jbedwick@cozen.com

and

DLA Piper (Canada) LLP
Suite 6000, 100 King St. W
Toronto, Ontario M5X 1E2
Attn: Robert Fonn
E-mail: robert.fonn@dlapiper.com

Section 16.06 Binding Effect; Intended Beneficiaries. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their heirs, executors, administrators, successors, legal representatives and permitted assigns. For the avoidance of doubt, Pubco is an express third-party beneficiary to this Agreement, is entitled to the rights and benefits hereunder and may enforce the provisions hereof as if it were a party hereto.

Section 16.07 Creditors. None of the provisions of this Agreement shall be for the benefit of or enforceable by any creditors of the Company or any of its Affiliates, and no creditor who makes a loan to the Company or any of its Affiliates may have or acquire at any time as a result of making the loan any direct or indirect interest in Company Profits, Losses, Distributions, capital or property, other than as a secured creditor.

Section 16.08 Waiver. No failure by any party to insist upon the strict performance of any covenant, duty, agreement or condition of this Agreement or to exercise any right or remedy consequent upon a breach thereof shall constitute a waiver of any such breach or any other covenant, duty, agreement or condition.

Section 16.09 Counterparts. This Agreement may be executed in separate counterparts, each of which will be an original and all of which together shall constitute one and the same agreement binding on all the parties hereto.

Section 16.10 Applicable Law. All matters relating to the interpretation, construction, validity and enforcement of this Agreement and all questions arising out of or concerning either the organization of, or the investment in, the Company, or this Agreement, or the rights, duties, and responsibilities of the Company or any Member, including claims alleging fraud, misrepresentation, or similar torts, will be governed by the internal laws of the state of Delaware, without giving effect to any choice of law provisions. Any conflict or apparent conflict between this Agreement and the Act will be resolved in favor of this Agreement, except as otherwise specifically required by the Act. Any dispute relating hereto shall be heard in the state or federal courts of the State of Delaware, and the parties agree to jurisdiction and venue therein.

Section 16.11 Severability. Whenever possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable Law, but if any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable Law or rule in any jurisdiction, such invalidity, illegality or unenforceability will not affect any other provision or the effectiveness or validity of any provision in any other jurisdiction, and this Agreement will be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.

Section 16.12 Further Action. The parties shall execute and deliver all documents, provide all information and take or refrain from taking such actions as may be reasonably necessary or appropriate to achieve the purposes of this Agreement.

Section 16.13 Delivery by Electronic Transmission. This Agreement and any signed agreement or instrument entered into in connection with this Agreement or contemplated hereby, and any amendments hereto or thereto, to the extent signed and delivered by means of an electronic transmission, including by a facsimile machine or via email, shall be treated in all manner and respects as an original agreement or instrument and shall be considered to have the same binding legal effect as if it were the original signed version thereof delivered in person. At the request of any party hereto or to any such agreement or instrument, each other party hereto or thereto shall re-execute original forms thereof and deliver them to all other parties. No party hereto or to any such agreement or instrument shall raise the use of electronic transmission by a facsimile machine or via email to deliver a signature or the fact that any signature or agreement or instrument was transmitted or communicated through such electronic transmission as a defense to the formation of a contract and each such party forever waives any such defense.

Section 16.14 Right of Offset. Whenever the Company is to pay any sum (other than pursuant to Article IV) to any Member, any amounts that such Member owes to the Company which are not the subject of a good faith dispute may be deducted from that sum before payment. For the avoidance of doubt, the distribution of Units to USCo or USCo2 shall not be subject to this Section 16.14.

Section 16.15 Entire Agreement. This Agreement, those documents expressly referred to herein (including the Support Agreements and the Tax Receivable Agreement), any indemnity agreements entered into in connection with the Prior Operating Agreement with the Manager at that time and other documents of even date herewith embody the complete agreement and understanding among the parties and supersede and preempt any prior understandings, agreements or representations by or among the parties, written or oral, which may have related to the subject matter hereof in any way. For the avoidance of doubt, the Prior Operating Agreement is superseded by this Agreement as of the Effective Time and shall be of no further force and effect thereafter.

Section 16.16 Remedies. Each Member shall have all rights and remedies set forth in this Agreement and all rights and remedies which such Person has been granted at any time under any other agreement or contract and all of the rights which such Person has under any Law. Any Person having any rights under any provision of this Agreement or any other agreements contemplated hereby 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.

Section 16.17 Descriptive Headings; Interpretation. The descriptive headings of this Agreement are inserted for convenience only and do not constitute a substantive part of this Agreement. Whenever required by the context, any pronoun used in this Agreement shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns, pronouns and verbs shall include the plural and vice versa. The use of the word "including" in this Agreement shall be by way of example rather than by limitation and shall mean, "including, without limitation". Reference to any agreement, document or instrument means such agreement, document or instrument as amended or otherwise modified from time to time in accordance with the terms thereof, and if applicable hereof. Without limiting the generality of the immediately preceding sentence, no amendment or other modification to any agreement, document or instrument that requires the consent of any Person pursuant to the terms of this Agreement or any other agreement will be given effect hereunder unless such Person has consented in writing to such amendment or modification. Wherever required by the context, references to a Fiscal Year shall refer to a portion thereof. The use of the words "or," "either" and "any" shall not be exclusive. The parties hereto have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties hereto, and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement. Wherever a conflict exists between this Agreement and any other agreement, this Agreement shall control but solely to the extent of such conflict.

Section 16.18 Enactment. As evidenced by their execution of the Fourth Amendment to Third Amended and Restated Limited Liability Company Agreement of High Street Capital Partners, LLC, dated as of October [24], 2022, the Manager and Members holding a majority of the Common Units outstanding, on behalf of each Member, have adopted and approved this Agreement to be effective as of the Effective Time.

[*Remainder of page intentionally left blank*]

Exhibit A

FORM OF JOINDER AGREEMENT

This JOINDER AGREEMENT, dated as of _____, 20__ (this "Joinder"), is delivered pursuant to that certain Fourth Amended and Restated Limited Liability Company Agreement, dated as of _____, 20__ (as amended, restated, amended and restated, supplemented or otherwise modified from time to time, the "LLC Agreement") by and among High Street Capital Partners, LLC, d/b/a Acreage Holdings, a Delaware limited liability company (the "Company"), Acreage Holdings America, Inc., a Nevada corporation and the manager of the Company (the "Manager"), and each of the Members from time to time party thereto. Capitalized terms used but not otherwise defined herein have the respective meanings set forth in the LLC Agreement.

1. Joinder to the LLC Agreement. Upon the execution of this Joinder by the undersigned and delivery hereof to the Manager, the undersigned hereby is and hereafter will be a Member under the LLC Agreement and a party thereto, with all the rights, privileges and responsibilities of a Member thereunder. The undersigned hereby agrees that it shall comply with and be fully bound by the terms of the LLC Agreement as if it had been a signatory thereto as of the date thereof.

2. Incorporation by Reference. All terms and conditions of the LLC Agreement are hereby incorporated by reference in this Joinder as if set forth herein in full.

3. Address. All notices under the LLC Agreement to the undersigned shall be directed to:

[Name]
[Address]
[City, State, Zip Code]
Attn:
Facsimile:
E-mail:

IN WITNESS WHEREOF, the undersigned has duly executed and delivered this Joinder as of the day and year first above written.

[**NAME OF NEW MEMBER**]

By: _____
Name:
Title:

Acknowledged and agreed
as of the date first set forth above:

HIGH STREET CAPITAL PARTNERS, LLC, D/B/A ACREAGE HOLDINGS

By: Acreage Holdings America, Inc., its Manager

By: _____
Name:
Title:

Exhibit 99.1

Acreage and Canopy Enter Into New U.S. Strategic Arrangement

Canopy to acquire 100% of Acreage by i) waiving its existing Floating Share option and entering into a new Floating Share acquisition agreement; and ii) committing to exercise its Fixed Share option, all subject to required approvals and terms of the related agreements

Acreage's $150 million credit facility is amended, providing immediate access to $25 million and increased financial flexibility through updated covenants

Acreage to host a conference call on October 25 at 10:00 a.m. ET to discuss the benefits and strategic rationale of the proposed Floating Share Agreement

New York, October 25, 2022 – Acreage Holdings, Inc. ("Acreage" or the "Company") (CSE:ACRG.A.U, ACRG.B.U), (OTCQX: ACRHF, ACRDF), a vertically integrated, multi-state operator of cannabis cultivation and retailing facilities in the U.S., today announced that it has entered into an arrangement agreement (the "Floating Share Agreement") with Canopy Growth Corporation ("Canopy" or "CGC") (TSX: WEED, NASDAQ: CGC) and Canopy USA, LLC ("Canopy USA"), CGC's newly-created U.S. domiciled holding company, pursuant to which, subject to approval of the holders of the Class D subordinate voting shares of Acreage (the "Floating Shares") and the terms and conditions of the Floating Share Agreement, Canopy USA will acquire all of the issued and outstanding Floating Shares by way of court-approved plan of arrangement (the "Floating Share Arrangement") for consideration of 0.4500 of a common share of Canopy (each whole share a "Canopy Share") in exchange for each Floating Share. The Floating Share Arrangement represents a premium of 17.2% to the Floating Shares based on the volume weighted average prices ("VWAP") of the Floating Shares and Canopy Shares for the 30-day trading period ending on October 24, 2022, on the Canadian Securities Exchange and Nasdaq Global Select Market, respectively.

Concurrently with the entering into of the Floating Share Agreement, Canopy irrevocably waived its option to acquire the Floating Shares pursuant to the plan of arrangement implemented on September 23, 2020 (the "Existing Arrangement") pursuant to the arrangement agreement between Canopy and Acreage dated April 18, 2019, as amended (the "Existing Arrangement Agreement").

Subject to the provisions of the Floating Share Agreement, Canopy has agreed to exercise its option pursuant to the Existing Arrangement Agreement (the "Fixed Option") to acquire Acreage's outstanding Class E subordinate voting shares (the "Fixed Shares"), representing approximately 70% of the total shares of Acreage as at the date hereof, at a fixed exchange ratio of 0.3048 of a Canopy Share for each Fixed Share.

Upon exercise of the Fixed Option and completion of the Floating Share Arrangement, Canopy USA will own 100% of all outstanding Fixed Shares and Floating Shares. Pursuant to a press release issued today, Canopy announced that, on exercising of the Fixed Option and closing of the Floating Share Arrangement, options to acquire 100% of the membership interests of Mountain High Products, LLC, Wana Wellness, LLC, and The Cima Group, LLC (together, "Wana") and 100% of the shares of Lemurian, Inc. ("Jetty"), which are or will be held directly or indirectly by Canopy USA, will be exercised, and Canopy USA is expected to retain its conditional ownership position in TerrAscend Corp. (CSE: TER, OTCQX: TRSSF).

Management Commentary

Peter Caldini, Chief Executive Officer of Acreage, commented, “The entering into of the Floating Share Agreement with Canopy is a logical next step for Acreage, as we have completed a major transformation of our business over the last few years, delivering profitability, and focusing on expanding our business in highly attractive Northeastern markets in preparation for considerable industry growth. The integration of Acreage into Canopy’s U.S. ecosystem will allow shareholders of both companies to participate in this strategic market opportunity with aligned interests.”

Mr. Caldini continued, “An exciting evolution is now taking place in the U.S. cannabis industry, and the time is now to accelerate our union with Canopy and leverage the solid foundation we have built to fully participate in an unmatched U.S. ecosystem alongside other market leaders. Acreage is a valuable addition to what Canopy is building, and we are excited about the opportunities to collaborate more directly with Jetty and Wana on product innovation and market expansion, creating an even stronger position ahead of federal permissibility as part of a leading North American brand powerhouse.”

“I am excited to see the conclusion of a transaction that was first contemplated by Acreage and Canopy over three years ago,” added Kevin Murphy, Chairman and Founder of Acreage. “The timing is right and the benefits of combining Acreage’s assets and expertise into Canopy’s U.S ecosystem are clear. The management of both companies have done an excellent job in developing a transaction structure that should benefit the shareholders of both Acreage and Canopy. I, along with my fellow Acreage directors, are supportive of the transaction and are excited to witness the future successes of the combined organization.”

Strategic Benefits and Rationale

The acquisition of the Fixed Shares and the Floating Shares by Canopy USA is expected to have the following strategic benefits for Acreage and its shareholders, among others:

- **Provides Significantly Increased and Near-Term Liquidity.** The consideration to be received by holders of Acreage’s Floating Shares (“Floating Shareholders”) provides certainty of liquidity to Floating Shareholders with Canopy Shares which have greater liquidity. Canopy Shares trade an average of more than $50 million a day in value, compared to less than $0.1 million in value for each of the Fixed Shares and Floating Shares. Under the Existing Arrangement, Canopy was not obligated to acquire the Floating Shares but rather had an option to acquire the Floating Shares at a minimum price of US$6.41 per Floating Share. Given the current trading price of the Floating Shares, Canopy indicated that it would not be exercising its option on the Floating Shares and if the Fixed Shares were purchased by Canopy and the Floating Shares were not, then the holders of Floating Shares would have the risk of holding illiquid shares in a company with a 70% majority shareholder.

- **Compelling Value Relative to Alternatives.** Prior to entering into the Floating Share Agreement, Acreage's Board of Directors (the "Board") and a Special Committee of Independent Directors of Acreage (the "Special Committee"), with the assistance of their financial and legal advisors, and based upon their collective knowledge of the business, operations, financial condition, earnings and prospects of Acreage, as well as their collective knowledge of the current and prospective environment in which Acreage operates (including economic and market conditions), assessed the relative benefits and risks of various alternatives reasonably available to holders of Floating Shares given that prior to the Floating Share Agreement, Canopy was not obligated to acquire the Floating Shares, including continued execution of Acreage's existing Board-approved strategic plan and the possibility of soliciting other potential liquidity events for the Floating Shares. As part of that evaluation process, the Special Committee and the Board unanimously (with those directors having an interest in the Floating Share Arrangement or connected transactions abstaining) concluded that (i) to continue as a stand-alone publicly traded company, Acreage would need to raise capital due to the nature of Acreage's business and its cash flow requirements and (ii) the ability to execute on Acreage's existing Board-approved strategic plan would be affected by the difficulty and cost of obtaining capital given the challenges associated with the current environment for cannabis issuers and the restrictions of Acreage's ability to operate its business. Given the restrictions in the Existing Arrangement Agreement with Canopy, Acreage management believes it is unlikely that any other party would be willing to acquire the Floating Shares on terms that are more favorable to Floating Shareholders, from a financial point of view, than the proposed Floating Share Agreement.

- **Continued Industry Participation.** Floating Shareholders have the opportunity to remain invested in the high-growth cannabis industry through equity ownership in Canopy Shares, one of the world's largest cannabis operators.

- **Strategic Alternatives and Business Costs.** While the Board remained positive with respect to the short-term and long-term prospects of Acreage and its strategic business plan, the Board determined that the Floating Share Arrangement is the best alternative available to Acreage. In particular, the commitment from Canopy to cause Canopy USA to acquire the Fixed Shares as well as the Floating Shares (i) will eliminate the ongoing costs and related reporting requirements of a public company, (ii) will eliminate complications arising from public shareholders holding a class of shares representing a minority of Acreage's total outstanding shares, and (iii) is expected to provide Acreage with an enhanced platform and support to enable Acreage to execute on its strategic plan should Canopy USA do so. Given the current market dynamics and restrictions arising from the Existing Arrangement, should Acreage not pursue the Floating Share Arrangement, there is significant execution risk given Acreage's capital requirements associated with its growth-oriented strategic plan.

- **Participate at the Onset of Canopy USA** and allow Acreage to immediately leverage Canopy's strategic platform and participate in the revenue and cost synergies expected to be achieved by Canopy USA, which, together with Canopy will strengthen Canopy's position as a brand powerhouse ahead of potential U.S. federal permissibility.

- **Capitalize and Accelerate on the Significant Opportunity to Solidify Canopy's U.S. Cannabis Ecosystem** by uniting three top-tier operators (Acreage, Wana, and Jetty), who will leverage the best of each other's capabilities and respective value chain position to further accelerate growth and profitability in the maturing U.S. industry, which is estimated to be more than a US$50 billion[1] market opportunity by 2026.

- **Access to Capital.** The approval of the Company's Amended Credit Facility (as defined herein), which provides an additional $25 million for immediate draw, was made concurrent with the Floating Share Agreement. The Amended Credit Facility provides the necessary capital to execute Acreage's expansion plans in highly attractive markets**,** with additional capital and more flexibility under the Amended Credit Facility covenant package (including the waiver of certain financial covenants until the first fiscal period after December 31, 2023).

Advisors

Canaccord Genuity Corp. ("Canaccord Genuity") is acting as financial advisor to Acreage, and DLA Piper (Canada) LLP and Cozen O'Connor are Canadian and U.S. legal counsel to Acreage, respectively. Eight Capital is acting as financial advisor to the Independent Special Committee of the Board, and Wildeboer Dellece LLP is acting as its legal counsel.

Fairness Opinions

The Special Committee received a fairness opinion from Eight Capital to the effect that, as of the date of such opinion, and based upon and subject to the assumptions, limitations and qualifications set forth therein, the number of Canopy Shares per Floating Share to be received by the Floating Shareholders (other than Canopy USA, Canopy and/or their respective affiliates) pursuant to the Floating Share Arrangement is fair, from a financial point of view, to the Floating Shareholders (other than Canopy USA, Canopy and/or their respective affiliates).

The Board received a fairness opinion from Canaccord Genuity to the effect that, as of the date of such opinion, and based upon and subject to the assumptions, limitations, and qualifications set forth therein, the number of Canopy Shares per Floating Share to be received by Floating Shareholders (other than Canopy USA, Canopy, and/or their respective affiliates) pursuant to the Floating Share Arrangement is fair, from a financial point of view, to the Floating Shareholders (other than Canopy USA, Canopy and/or their respective affiliates).

Additional Offer Details and Approval Process

Completion of the Floating Share Agreement is subject to the satisfaction or waiver of certain closing conditions, including receipt of applicable regulatory and court approvals, the approval of at least (i) 66⅔% of the votes cast by Floating Shareholders, and (ii) a majority of the votes cast by Floating Shareholders excluding the votes cast by "interested parties" and "related parties" under Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* ("MI 61-101") of the Canadian Securities Administrators, at a special meeting of Acreage shareholders (the "Special Meeting") expected to take place in January 2023.

Canopy and Canopy USA have entered into voting support agreements with certain of the Company's directors and current and former officers holding approximately 7.3% of the issued and outstanding Floating Shares pursuant to which they have agreed, among other things, to vote their Floating Shares in favor of the Floating Share Agreement.

In conjunction with the Floating Share Arrangement, Canopy announced that it intends to amend its articles to create a new class of non-voting and non-participating exchangeable shares ("Exchangeable Shares") in the capital of Canopy and to add a right to convert Canopy Shares into Exchangeable Shares (the "Canopy Amendment Proposal"), which is subject to the approval of Canopy's shareholders at the special meeting of Canopy shareholders (the "Canopy Special Meeting") expected to take place in January 2023. The Floating Share Arrangement is also subject to the approval of the Canopy Amendment Proposal, as disclosed in Canopy's press release dated October 25, 2022. The Canopy Amendment Proposal must be approved by at least 66⅔% of the votes cast on a special resolution by Canopy shareholders present in person or represented by proxy at the Canopy Special Meeting. Greenstar Canada Investment Limited Partnership ("Greenstar") and CBG Holdings LLC ("CBG"), indirect, wholly owned subsidiaries of Constellation Brands, Inc. ("Constellation") (NYSE: STZ and STZ.B), have entered into a voting and support agreement with Canopy pursuant to which they have agreed, among other things, to vote in favor of the Canopy Amendment Proposal. Canopy has disclosed that CBG and Greenstar have advised that it is their current intention to convert all of the Canopy Shares which they currently hold into Exchangeable Shares if the Canopy Amendment Proposal is approved at the Canopy Special Meeting. If the Canopy Amendment Proposal is not adopted at the Canopy Special Meeting or CBG and Greenstar do not convert their current holdings into Exchangeable Shares, Canopy will not exercise the Fixed Option, and the Floating Share Agreement will be terminated. If the Canopy Amendment Proposal is not adopted, or if CBG and Greenstar do not convert their present holdings of Canopy Shares into Exchangeable Shares prior to March 31, 2023, Canopy will not exercise the Fixed Option, Acreage may terminate the Floating Share Agreement, and Canopy will be obliged to pay Acreage US$2.0 million as an expense reimbursement.

Acreage expects the Floating Share Arrangement to close in the second half of 2023, subject to receipt of shareholder, court, and regulatory approvals, as well as the satisfaction or waiver of all conditions under the Floating Share Agreement and the Existing Arrangement. It is anticipated that the acquisition by Canopy USA of the Fixed Shares pursuant to the Fixed Option will be completed immediately following closing of the Floating Share Agreement.

TRA Settlement

Concurrently with execution of the Floating Share Agreement, Canopy agreed to issue (i) Canopy Shares with a value of approximately US$30.5 million to certain current or former unitholders (the "Holders") of High Street Capital Partners, LLC ("HSCP"), a subsidiary of Acreage, pursuant to HSCP's existing amended tax receivable agreement (the "TRA") and (ii) a payment with a value of approximately US$19.5 million in Canopy Shares to certain directors, officers or consultants of Acreage pursuant to HSCP's existing tax receivable bonus plans (the "Bonus Plans") under further amendment to each, both to reduce a potential liability of approximately US$121 million. Canopy Shares with a value of approximately US$15.3 million will be issued to certain Holders as soon as practicable as the first installment under the amended TRA with a second payment of approximately US$15.3 million in Canopy Shares to occur on the earlier of (a) the second business day following the date on which the Floating Shareholders approve the Floating Share Arrangement; or (b) April 24, 2023. In addition, a final payment with a value of approximately US$19.5 million in Canopy Shares (the "TRA Bonuses") will be issued by Canopy to certain eligible participants under the amended Bonus Plans immediately prior to the completion of Floating Share Arrangement. The TRA Bonuses will be paid to recipients to be determined by Kevin Murphy, the administrator of the TRA, and may include one or more of Mr. Murphy, John Boehner, Brian Mulroney, and Peter Caldini, each of which are directors of Acreage and other directors, officers or consultants of Acreage as may be determined by Mr. Murphy. Canopy has also agreed to register the resale of such Canopy Shares under the Securities Act of 1933, as amended.

Credit Facility Amendment

Additionally, Acreage has amended its existing US$150 million credit facility (the "Amended Credit Facility") with AFC Gamma, Inc. (NASDAQ: AFCG) ("AFC Gamma") and Viridescent Realty Trust, Inc. ("Viridescent" and together with AFC Gamma, the "Lenders"). Under the terms of the Amended Credit Facility, $25 million is available for immediate draw by Acreage with a further US$25 million available in future periods under a committed accordion option once certain predetermined milestones are achieved. In conjunction with entering into the Amended Credit Facility, the Lenders have waived the requirement for Acreage to comply with all financial debt covenants, except a minimum cash requirement, until December 31, 2023, and new covenants have been agreed upon in respect of all periods beginning on or after December 31, 2023, reflecting the Company's growth plan, financial position, and current market conditions. Finally, the Amended Credit Facility includes approval for Canopy USA to acquire control of Acreage without requiring repayment of all amounts outstanding under the Amended Credit Facility, provided certain conditions are satisfied. Acreage intends to use the proceeds of the Amended Credit Facility to fund expansion initiatives and provide additional working capital.

The Amended Credit Facility will bear interest at a variable rate of U.S. prime ("Prime") plus 5.75 % per annum, payable monthly in arrears, with a Prime floor of 5.50%, and a maturity date of January 1, 2026. Under the terms of the Amended Credit Facility, the Company has the option to extend the maturity date to January 1, 2027, for a fee equal to 1.0% of the total amount available to be drawn under the Amended Credit Facility. The Company will pay an amendment fee of US$1.25 million to the Lenders.

"AFC Gamma and Viridescent have been valuable partners, and with this amendment, continue to demonstrate their confidence in our ability to execute on our growth strategy," said Steve Goertz, Chief Financial Officer of Acreage. "The amended terms reflect current market conditions, and the proceeds will further strengthen our balance sheet as we continue to scale our core footprint. This capital infusion is well-timed with many developing opportunities in the Northeast, particularly as we further optimize our cultivation and wholesale capabilities in New Jersey and strengthen our position in the pending adult-use markets of New York and Connecticut."

Concurrent with entering into the Amended Credit Facility, the Lenders and a wholly-owned subsidiary of the Company (the "Canopy Sub") have entered into a letter agreement, pursuant to which Canopy Sub may, at its option, acquire the outstanding indebtedness of Acreage owed to the Lenders, from the Lenders, at the then outstanding amount. As a result of the Amended Credit Facility and letter agreement, Canopy Sub will make an option premium payment of $28.5 million cash payment to be held in escrow.

Kevin Murphy, the Chairman of the Board, is also the President and Chairman of the Board of Directors of Viridescent. John Boehner, Brian Mulroney, and Peter Caldini, who together with Mr. Murphy are each directors of Acreage (and Mr. Caldini is also Chief Executive Officer of Acreage), and such other officers of Acreage as may be identified by Mr. Murphy (together, the "Eligible Executives") are possible recipients of the TRA Bonuses, and are therefore "interested parties" within the meaning of MI 61-101. As a result, the entering into of the Amended Credit Facility and the possible payment of the TRA Bonuses to the Eligible Executives are each "related party transactions" within the meaning of MI 61-101. Acreage relied on exemptions from the formal valuation and minority shareholder approval requirements of MI 61-101. Acreage is exempt from the formal valuation requirement contained in section 5.5(b) of MI 61-101 as Acreage does not have securities listed on a specified stock exchange. Acreage is exempt from the minority shareholder approval requirements pursuant to section 5.7(1)(f) of MI 61-101 with respect to entry into the Amended Credit Facility as the Amended Credit Facility is entered into on reasonable commercial terms that are not less advantageous to Acreage than if the credit facility was obtained from a person dealing at arm's length with Acreage and the Amended Credit Facility is not (a) convertible, directly or indirectly, into equity or voting securities of Acreage of any of its subsidiaries, or otherwise participating in nature, or (b) repayable as to principal or interest, directly or indirectly, in equity or voting securities of Acreage or a subsidiary entity of Acreage. The Amended Credit Facility was approved by the Board with Kevin Murphy recusing himself from all discussions related thereto and declaring his interest in the transaction prior to the Board approving the Amended Credit Facility. Acreage is exempt from the minority shareholder approval requirements of MI 61-101 pursuant to Section 5.5(a) of MI 61-101 with respect to the possible payment of the TRA Bonuses to the Eligible Executives, in that the fair market value of the TRA Bonuses which may be paid to the Eligible Executives, each of whom may be "interested parties" with respect to the payment of the TRA Bonuses, as at the date hereof does not exceed 25% of Acreage's market capitalization. Murphy, Boehner, Mulroney and Caldini each declared their interest in the transactions described herein, and abstained from voting thereon. Further details will be included in a material change report to be filed by Acreage. The material change report will not be filed more than 21 days prior to closing of the Amended Credit Facility due to the timing of the concurrent announcement and closing of the Amended Credit Facility.

Conference Call

Acreage will host a conference call on October 25, 2022, at 10:00 a.m. ET to discuss the strategic rationale and benefits of the Floating Share Agreement, followed by a question-and-answer period.

Webcast:	Register
Dial-in:	Canada - 1-833-950-0062 (toll-free) or 1-226-828-7575
	US - 1-844-200-6205 (toll-free) or 1-646-904-5544
	International - +1-929-526-1599
Conference ID:	784584

The webcast will be archived and can be accessed via Acreage's website at investors.acreageholdings.com.

[1] MJBiz market forecast of total US cannabis market by 2026. All financial figures in this press release are in USD.

Forward Looking Statements

This news release and each of the documents referred to herein contains "forward-looking information" and "forward-looking statements" within the meaning of applicable Canadian and United States securities legislation, respectively. All statements, other than statements of historical fact, included herein are forward-looking information. Often, but not always, forward-looking statements and information can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "estimates", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved.

Forward-looking statements or information involve known and unknown risks, uncertainties, and other factors which may cause the actual results, performance or achievements of Acreage or its subsidiaries to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements or information contained in this news release. Examples of such statements include statements with respect to the timing and outcome of the Floating Share Arrangement, the anticipated benefits of the Floating Share Arrangement, the timing of the closing of the Fixed Shares pursuant to the Existing Arrangement, the exercise of the options to acquire Wana and Jetty, respectively, and the timing thereof, the anticipated timing of the Special Meeting, the anticipated strategic benefits of the acquisition of the Fixed Shares and the Floating Shares by Canopy USA, the anticipated increased liquidity of Canopy Shares, the likelihood of a superior transaction, anticipated long-term value of holding Canopy Shares, the ability of Acreage to leverage Canopy's strategic platform and participate in the revenue and cost synergies expected to be achieved by Canopy USA, the anticipated ranking of Canopy as a top five North American cannabis company by revenue, Canopy strengthening its position as a brand powerhouse, the ability of Canopy to accelerate growth and profitability, the satisfaction or waiver of the closing conditions set out in the Floating Share Agreement as well as under the Existing Arrangement, the satisfaction of the conditions set out in the Floating Share Agreement, the expectation that the United States is going to be a core market for Canopy, the formation of a pre-eminent global cannabis company, the timing and results of the Canopy Special Meeting, the implementation of the Canopy Amendment Approval and the timing thereof, the satisfaction or waiver of all conditions under the Floating Share Agreement and the Existing Arrangement, the anticipated timing of the Floating Share Arrangement, the timing and issuance of Canopy Shares to Holders, the registration of the Canopy Shares issued to Holders under the Securities Act of 1933, as amended, and the timing thereof, the proposed issuance of Canopy shares to certain eligible participants under the existing tax receivable bonus plans, the timing and ability of Acreage to achieve the milestones under the Amended Credit Facility, and the proposed use of proceeds under the Amended Credit Facility.

Risks, uncertainties and other factors involved with forward-looking information could cause actual events, results, performance, prospects and opportunities to differ materially from those expressed or implied by such forward-looking information, including, but not limited to: the occurrence of changes in U.S. federal laws regarding the cultivation, distribution or possession of marijuana; assumptions as to the time required to prepare and mail materials to Acreage and Canopy shareholders in respect of the Special Meeting and the Canopy Special Meeting, respectively; the ability of the parties to receive, in a timely manner and on satisfactory terms, the necessary regulatory, court and shareholder approvals; the ability of the parties to satisfy, in a timely manner, the other conditions to the completion of the Floating Share Arrangements Agreement; the ability of the parties to satisfy, in a timely manner, the conditions to closing of each of the Existing Arrangement Agreement and the Floating Share Arrangement; in the event that the Floating Share Arrangement is not adopted, the likelihood of completion of the acquisition of the Floating Shares pursuant to an alternative transaction; in the event that the Floating Share Arrangement is not adopted, the likelihood of Canopy Growth completing the acquisition of the Fixed Shares under the Existing Arrangements; other expectations and assumptions concerning the transactions contemplated between Canopy Growth and/or Canopy USA, as applicable, and Acreage; the available funds of Acreage and the anticipated use of such funds; the availability of financing opportunities for Acreage and the risks associated with the completion thereof; regulatory and licensing risks; changes in general economic, business and political conditions, including changes in the financial and stock markets; legal and regulatory risks inherent in the cannabis industry, including the global regulatory landscape and enforcement related to cannabis, political risks and risks relating to regulatory change; risks relating to anti-money laundering laws; compliance with extensive government regulation and the interpretation of various laws regulations and policies; public opinion and perception of the cannabis industry; and such other risks disclosed in the Company's Annual Report on Form 10-K for the year ended December 31, 2021, dated March 11, 2022 and the Company's other public filings, in each case filed with the U.S. Securities and Exchange Commission on the EDGAR website at www.sec.gov and with Canadian securities regulators and available under Acreage's profile on SEDAR at www.sedar.com. Although Acreage has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended.

Although Acreage believes that the assumptions and factors used in preparing the forward-looking information or forward-looking statements in this news release are reasonable, undue reliance should not be placed on such information and no assurance can be given that such events will occur in the disclosed time frames or at all. The forward-looking information and forward-looking statements included in this news release are made as of the date of this news release and Acreage does not undertake any obligation to publicly update such forward-looking information or forward-looking statements to reflect new information, subsequent events or otherwise unless required by applicable securities laws. There can be no assurance that the Floating Share Arrangement will occur, or that such events will occur on the terms and conditions contemplated in this news release. The Floating Share Agreement could be modified, restructured or terminated. Actual results could differ materially from those currently anticipated due to a number of factors and risks. The Floating Share Arrangement cannot close until the required shareholder, court and regulatory approval is obtained. Investors are cautioned that, except as disclosed in the management information circular of Acreage to be prepared in connection with the Floating Share Arrangement, any information released or received with respect to the Floating Share Arrangement may not be accurate or complete and should not be relied upon.

Neither the Canadian Securities Exchange nor its Regulation Service Provider has reviewed and does not accept responsibility for the adequacy or accuracy of the content of this news release.

About Acreage Holdings, Inc.

Acreage is a multi-state operator of cannabis cultivation and retailing facilities in the U.S., including the Company's national retail store brand, The Botanist. With its principal address in New York City, Acreage's wide range of national and regionally available cannabis products include the award-winning The Botanist brand, craft brand Superflux, the Tweed brand, the Prime medical brand in Pennsylvania, the Innocent brand in Illinois and others. Acreage also owns Universal Hemp, LLC, a hemp subsidiary dedicated to the distribution, marketing and sale of CBD products throughout the U.S. Since its founding in 2011, Acreage has focused on building and scaling operations to create a seamless, consumer-focused, branded experience. Learn more at www.acreageholdings.com and follow us on Twitter, LinkedIn, Instagram, and Facebook.

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