

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

FORM 10-K/A

(Amendment No. 1)

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2023

or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the Transition Period from \_\_\_\_\_ to \_\_\_\_\_.

Commission file number 000-56225

**GOODNESS GROWTH HOLDINGS, INC.**

(Exact name of registrant as specified in its charter)

**British Columbia, Canada**

(State or other jurisdiction of  
incorporation or organization)

**207 South 9<sup>th</sup> Street  
Minneapolis, Minnesota**

(Address of principal executive offices)

**82-3835655**

(I.R.S. Employer  
Identification No.)

**55402**

(Zip Code)

**(612) 999-1606**

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Securities Exchange Act of 1934:  
None

Securities registered pursuant to Section 12(g) of the Securities Exchange Act of 1934:

Subordinate Voting Shares

Multiple Voting Shares

Super Voting Shares

(Title of class)

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes  No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Act. Yes  No

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes  No

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

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

Emerging growth company

If an emerging growth company, indicate by checkmark 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.

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.

Indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements.

Indicate by check mark whether any of those error corrections are restatements that require a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to Section 240.10 D-1(b).

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes  No

The aggregate market value of the shares of Subordinate Voting Shares, Multiple Voting Shares and Super Voting Shares (based on as converted basis, based on the closing price of these shares on the OTCQX) on June 30, 2023, held by non-affiliates of the registrant was approximately \$20,224,616.

As of April 26, 2024, the registrant had the following number of shares of each of its classes of registered securities outstanding: Subordinate Voting Shares - 111,041,230; Multiple Voting Shares - 320,851; and Super Voting Shares - 0.

**DOCUMENTS INCORPORATED BY REFERENCE**

None.

**Auditor Name:**  
Davidson & Company LLP

**Auditor Location:**  
Vancouver, Canada

**Auditor Firm ID:**  
PCAOB ID 731

#### EXPLANATORY NOTE

This Amendment No. 1 on Form 10-K/A (this “**Amendment No. 1**”) to the Annual Report on Form 10-K of Goodness Growth Holdings, Inc., a British Columbia corporation (referred to as “**Goodness Growth**,” the “**Company**,” “**we**,” “**us**,” or “**our**”) for the fiscal year ended December 31, 2023, originally filed with the Securities and Exchange Commission (“**SEC**”) on April 1, 2024 (the “**Original Form 10-K**”), is being filed for the purpose of including the information required by Part III of Form 10-K. This information was previously omitted from the Original Form 10-K in reliance on General Instruction G(3) to Form 10-K, which permits the information in the above referenced items to be incorporated in the Form 10-K by reference from our definitive proxy statement if such proxy statement is filed no later than 120 days after our fiscal year-end. We are filing this Amendment No. 1 to include Part III information in our Form 10-K because we do not expect to file a definitive proxy statement containing this information within 120 days after the end of the fiscal year covered by the Form 10-K. We have also revised the Exhibit Index in Part IV to include additional exhibits relating to one of our named executive officers. This Amendment No. 1 amends and restates in their entirety Items 10, 11, 12, 13 and 14 of Part III of the Original Form 10-K.

In addition, as required by Section 302 of the Sarbanes-Oxley Act of 2002 and Rule 12b-15 of the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”), updated certifications of the Company’s principal executive officer and principal financial officer are included as Exhibits 31.3 and 31.4 hereto. Because no financial statements have been included in this Amendment No. 1 and this Amendment No. 1 does not contain or amend any disclosure with respect to Items 307 and 308 of Regulation S-K, paragraphs 3, 4, and 5 of the certifications have been omitted. We are not including the certifications under Section 906 of the Sarbanes-Oxley Act of 2002 as no financial statements are being filed with this Amendment No. 1. This Amendment No. 1 also amends Part IV to add the foregoing certifications.

No other changes have been made to the Original Form 10-K other than those described above. This Amendment No. 1 does not reflect subsequent events occurring after the filing date of the Original Form 10-K or modify or update in any way the financial statements, consents or any other items or disclosures made in the Original Form 10-K in any way other than as required to reflect the amendments discussed above. Accordingly, this Amendment No. 1 should be read in conjunction with the Original Form 10-K and the Company’s other filings with the SEC subsequent to the filing of the Original Form 10-K.

---

TABLE OF CONTENTS

**PART III**

<a href="#">Item 10.</a>	<a href="#">Directors, Executive Officers and Corporate Governance</a>	1
<a href="#">Item 11.</a>	<a href="#">Executive Compensation</a>	4
<a href="#">Item 12.</a>	<a href="#">Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters</a>	14
<a href="#">Item 13.</a>	<a href="#">Certain Relationships and Related Transactions, and Director Independence</a>	20
<a href="#">Item 14.</a>	<a href="#">Principal Accountant Fees and Services</a>	21

**PART IV**

<a href="#">Item 15.</a>	<a href="#">Exhibits and Financial Statement Schedules</a>	22
--------------------------	--	----

---

**PART III**

**Item 10. Directors, Executive Officers and Corporate Governance**

**DIRECTORS AND EXECUTIVE OFFICERS**

The following table sets forth information regarding each director, director nominee and executive officer of Goodness Growth. The term of office of each of the five current directors will end at the conclusion of the 2024 Annual Meeting of Shareholders. Elected directors serve until the next annual general meeting of the shareholders or until their successors are elected or appointed. A brief biography of each person who serves as a director or executive officer follows the table.

<b>Name</b>	<b>Age*</b>	<b>Position</b>
Dr. Kyle E. Kingsley	49	Executive Chair of the Board
Ross M. Hussey	46	Director
Victor E. Mancebo	40	Director
Judd T. Nordquist	54	Director
Josh Rosen	51	Interim Chief Executive Officer, Interim Chief Financial Officer and Director
Amber H. Shimpa	45	President of Goodness Growth and Chief Executive Officer of Vireo Health of Minnesota
Patrick Peters	50	Executive Vice President, Retail

\* As of the date of filing of this Amendment No. 1.

**Dr. Kyle E. Kingsley** is a board-certified emergency medicine physician and founder, Executive Chairman and a director of Goodness Growth. Dr. Kingsley served as Chief Executive Officer and chairman on the Board of Goodness Growth from July 2014 to February 2023. Dr. Kingsley has served as a director of Goodness Growth (and its predecessors Vireo Health, Inc./Minnesota Medical Solutions LLC) since July 2014, and he was appointed Executive Chairman of Goodness Growth in February 2023. Dr. Kingsley has expansive experience in starting medical cannabis companies in well-regulated, limited-license states with narrow timelines for implementation. Dr. Kingsley has been involved with all aspects of medical cannabis implementation, from horticulture and manufacturing to finance and policy. Dr. Kingsley's primary goal is to build mainstream, cannabis-based, alternatives to opioids, alcohol, and tobacco. Dr. Kingsley's prior experience with opioid pain medications and alcohol in the emergency department setting was a major reason for his desire to build a science-focused cannabis company. Simultaneously with his emergency medicine staffing responsibilities, Dr. Kingsley founded and developed multiple companies including Clinical Scribes LLC, a medical scribe documentation training and implementation company, which he founded in 2007. Clinical Scribes LLC and its offshoot Medical Scribe Training Systems focus on efficient training of medical professionals, specifically medical scribes. Dr. Kingsley is the author of a wide array of scientifically robust medical scribe training textbooks, "The Ultimate Medical Scribe Handbook" series, which is used by companies across the country to train their medical scribes. Dr. Kingsley founded MedMacros LLC in 2012, a medical documentation augmentation company that provides physicians and other healthcare providers with online templates to improve documentation speed and comprehensiveness. Dr. Kingsley received a Bachelor of Science degree in Biochemistry and a Bachelor of Arts degree in German from University of Minnesota in Duluth and received a Doctor of Medicine degree from the University of Minnesota, Twin Cities. During his time at the University of Minnesota, Duluth, Dr. Kingsley worked extensively in a biochemistry laboratory and developed expertise in HPLC and other laboratory techniques that are directly applicable to the medical cannabis industry. Dr. Kingsley is married to Ms. Shimpa's sister.

**Ross M. Hussey** is an attorney with over 15 years of experience who practices in multiple states and jurisdictions and focuses primarily on complex litigation and representing private businesses. Mr. Hussey has served as a director of Goodness Growth since July 2020 and is the Chair of the Compensation Committee and a member of the Nominating and Corporate Governance Committee. He has practiced with Smith Jadin Johnson, PLLC since June 2019. From April 2015 through May 2019, he practiced with Benson, Kerrane, Storz & Nelson, PC (now known as Kerrane Storz, P.C.). Mr. Hussey is a founding member of Vireo U.S. where he helped create and launch Minnesota Medical Solutions, LLC. Mr. Hussey previously served as General Counsel for Minnesota Medical Solutions from December of 2014 to March of 2016 before returning to private practice. He also has prior government relations experience and was involved in the

[Table of Contents](#)

implementation of the medical cannabis program in Minnesota. Mr. Hussey holds a Bachelor of Arts degree in Political Science from Gustavus Adolphus College and received a Juris Doctor degree from William Mitchell College of Law.

**Victor E. Mancebo** is a business professional with over 20 years of experience in a variety of operational, retail, and agricultural leadership roles for several national and regional companies in the United States. Mr. Mancebo has served as a director of Goodness Growth since January 2021 and is a member of the Audit, Compensation and Nominating and Corporate Governance Committees. Mr. Mancebo has amassed executive leadership roles in Real-Estate, Banking, Education, Logistics, Technology, Food Safety, Manufacturing, Agriculture, and Retail. He founded O2 Natural Air LLC, a sustainable climate-control company, in 2022. He has served as Executive Chairman of V7 Ogimaa, Inc, a vertically integrated, multi-state cannabis operator, since 2021. He has served as the Chief Executive Officer and Director of TheraTrue, Inc., a medical cannabis company, since January 2021. From July 2018 through December 2020, Mr. Mancebo served as the President, Chief Executive Officer and as a Director of Liberty Health Sciences Inc. (OTCQX: LHSIF), a vertically integrated cannabis company with 29 dispensaries and a 250,000 square feet production facility housed on 387 acres in Florida, which has served over 100,000 patients to date. At Liberty Health Sciences Inc., Mr. Mancebo was responsible for the growth and success of various departments including retail, sales, compliance, production, processing, cultivation, construction, facilities, and accounting. Prior to that experience, Mr. Mancebo served as a Partner and Chief Operations Officer at Gelatys, a handcrafted gelato pops company, from April 2016 through April 2018. From 2013 to 2020, Mr. Mancebo served as the Founder and Managing Director at iAgriGroup, an entity focused on providing supporting in the agricultural and food industry, where he was responsible for the expansion, strategy and overall operational execution of the international agriculture and food production company. He holds a B.A. from Florida International University and a Master Black Belt Six Sigma Certification.

**Judd T. Nordquist** is a Certified Public Accountant with more than 30 years of experience, serving as a Partner and member of the Board of Directors at Abdo L.L.P. and its predecessor until April 2023. Mr. Nordquist has served as a director of Goodness Growth since March 2019 and is a member of the Compensation Committee and the Chair of Audit Committee. He has served on Boards, audit committees, transaction committees and has held leadership roles with several organizations. During his career in public accounting, Mr. Nordquist served in several leadership roles including the Segment Leader for the manufacturing, distribution and agriculture and the Real Estate and Construction segments of the firm where he was responsible for setting the strategic plan and delivering results. Mr. Nordquist helps business owners with business and tax planning, mergers and acquisitions, cash flow management, budgeting, overhead computations, auditing and entrepreneurial consulting services throughout North America and Europe. Mr. Nordquist graduated from Minnesota State University, Mankato with a Bachelor of Science degree in Accounting and is currently attending Harvard University in pursuit of their Corporate Director Certificate. He is a member of the American Institute of Certified Public Accountants, the Minnesota Society of Certified Public Accountants and DFK International.

**Josh Rosen** is a cannabis industry executive, strategic advisor and business professional with experience in capital markets. Mr. Rosen has served as a director of Goodness Growth since August 2021, and has served as Interim Chief Executive Officer of Goodness Growth since February 2023 and as Interim Chief Financial Officer of Goodness Growth since February of 2023. Mr. Rosen previously served as Interim President of Goodness Growth from December 2022 until his appointment to Interim Chief Executive Officer. Mr. Rosen has served as a Managing Partner of Bengal Capital, a cannabis investment and advisory firm, since December 2020. Mr. Rosen has served as a member of the Board of Body & Mind, Inc. (CS: BAMB), a cannabis company, since February 2023. Through May 2021, Mr. Rosen was a director of 4Front Ventures Corporation (CSE: FFNT); Mr. Rosen was previously Executive Chairman and Chief Executive Officer of 4Front and its predecessor companies, having co-founded 4Front in 2011. Mr. Rosen is on the Board of Manager of Ninety Plus Coffee, LLC, a coffee producer. Earlier in his career, Mr. Rosen held positions at Crystal Rock Capital Management, Credit Suisse (NYSE: CS) and ABN AMRO Bank N.V. (OTCMKTS: AAVMY). Mr. Rosen holds a Bachelor of Arts in Economics and Philosophy from Beloit College.

**Amber H. Shimpa** has served as President of Goodness Growth since February 2023. Ms. Shimpa also currently serves as Chief Executive Officer of Vireo Health of Minnesota, one of the operational subsidiaries of Goodness Growth. Ms. Shimpa served as a director of the Company from March 2019 to March 2023. Ms. Shimpa also served as the Chief Administrative Officer (“CAO”) for Goodness Growth from December 2019 to February 2023, and prior to that, as Chief Financial Officer from January 2015 to December 2019. As CAO, she led Goodness Growth’s human resources, communications, and policy teams and drove the integration of people and culture for Goodness Growth. She works to

[Table of Contents](#)

perpetuate Goodness Growth’s core values and culture as its workforce continues to rapidly expand. Ms. Shimpa spearheads Goodness Growth’s Corporate Social Responsibility initiatives and Diversity and Inclusion programs. Ms. Shimpa has 14 years of experience as a financial services professional with various commercial and investment banking organizations. Prior to joining Goodness Growth, Ms. Shimpa spent nine years as Vice President of a \$1.6 billion bank focused on commercial, nationwide lending. Her experience in the highly regulated banking environment has engrained quality and control in her leadership and financial management approach. Banking is often seen as a challenge for operators within the cannabis industry. Ms. Shimpa’s understanding of the strict compliance requirements in the banking industry, coupled with Goodness Growth’s scientific and safe medical model, have led to welcoming discussions with banks, and ultimately the first known open banking relationship with a cannabis-related company in the U.S. Ms. Shimpa holds a Bachelor of Arts degree in Business from the University of North Dakota. Dr. Kyle E. Kingsley is married to Ms. Shimpa’s sister.

**Patrick Peters** is a highly driven retail executive with experience in industry-leading brands across diverse market segments. Mr. Peters is experienced in developing innovative and effective solutions to drive continuous improvement and financial results. He has served as Goodness Growth’s Executive Vice President of Retail since November 2020. Prior to that he served as Senior Vice President of Retail, Wholesale, and E-Commerce at Goodness Growth from November 2019 to November 2020. Prior to that, from June 2018 to July 2019, Mr. Peters served as the Regional Director of Rue21, an American specialty retailer of women’s and men’s casual apparel and accessories, where he managed Rue21’s retail locations on the East Coast. Mr. Peters served as a Financial Planner at Northwest Mutual from June 2017 to March 2018, where he assisted individuals with life insurance and financial planning. From June 2013 to February 2017, Mr. Peters served as Chief Operating Officer and Vice President of Retail at Costume SuperCenter, where he focused on growing infrastructure of new e-commerce retail acquisition.

### CORPORATE GOVERNANCE

Among others, the Company has a standing Audit Committee. The responsibilities of this committee are described below. Our Board may also establish various other committees to assist it in its responsibilities. The following table summarizes the current membership of the Board and its Audit Committee and the independence of each Board member, which has been assessed in accordance with the rules of the Nasdaq Stock Market (“**Nasdaq Rules**”):

Director Name	Independent	Audit Committee
Dr. Kyle Kingsley	N	
Ross Hussey	Y	Member
Victor Mancebo	Y	Member
Judd Nordquist	Y	Chair
Josh Rosen	Y	

Our Board has adopted an Audit Committee charter that addresses its composition and responsibilities. Copies of such materials are available on our website at [investors.vireohealth.com/governance/Governance-Documents](http://investors.vireohealth.com/governance/Governance-Documents).

#### *Audit Committee*

The Audit Committee assists the Board in fulfilling its oversight responsibilities relating to accounting and financial reporting processes and internal controls for Goodness Growth and the audits of its financial statements, and in ensuring the adequacy and effectiveness of Goodness Growth’s risk management programs.

The Audit Committee currently is comprised of three directors Ross M. Hussey, Victor E. Mancebo and Judd T. Nordquist (chair). Each of these directors is, and each director who served on the Audit Committee during fiscal year 2023 was, independent as contemplated by Canadian National Instrument 52-110 – *Audit Committees* (“**NI 52-110**”) and the Nasdaq Rules. An audit committee member is independent if the member meets the requirements of NI 52-110, the Nasdaq Rules and has no direct or indirect material relationship with Goodness Growth that could, in the view of the Board, reasonably interfere with the exercise of a member’s independent judgment. The Board has determined that all members of the Audit Committee are financially literate, and that Mr. Nordquist qualifies as an “audit committee financial expert” for purposes of the SEC’s rules.

## Code of Ethics and Business Conduct

The Board has adopted a Code of Ethics and Business Conduct that applies to all of our directors, officers, and employees, including our principal executive, principal financial, and principal accounting officers. The Code of Ethics and Business Conduct is available on our website at [investors.vireohealth.com/governance/Governance-Documents](http://investors.vireohealth.com/governance/Governance-Documents).

## DELINQUENT SECTION 16(A) REPORTS

Section 16(a) of the Securities Exchange Act of 1934 requires our directors and officers to file reports of holdings and transactions in Goodness Growth Shares with the SEC. Based on our records, in 2023, all Section 16 filers met all applicable SEC filing requirements under Section 16(a), except as follows: (i) Form 4 filing for Joshua Rosen due December 10, 2022, filed January 9, 2023; (ii) Form 4 filing for John Andrew Heller due June 9, 2023, filed June 14, 2023; (iii) Form 4 for J. Michael Schroeder due June 9, 2023, filed June 14, 2023; (iv) Form 3 filing for Chicago Atlantic Credit Opportunities due June 2, 2023, filed July 14, 2023; (v) Form 4/A for Amber Shimpa due December 16, 2022, filed January 8, 2024; and (vi) Form 4 for Amber Shimpa due December 23, 2023 filed January 8, 2024.

## Item 11. Executive Compensation

### DIRECTOR COMPENSATION

Only non-employee directors receive compensation for their services as directors. For information about the compensation of Dr. Kingsley, Mr. Rosen and Ms. Shimpa, see the section entitled “*Information Concerning Executive Compensation*” below. Dr. Kingsley and Mr. Rosen served on the Board for all of 2023. Ms. Shimpa resigned from the Board in March 2023.

The director compensation program is intended to provide a total compensation package that enables Goodness Growth to attract and retain qualified and experienced directors and to align our directors’ interests with those of our shareholders by including a substantial portion of their compensation in Goodness Shares. The Compensation Committee makes a recommendation to the N&G Committee regarding director compensation, which the N&G Committee will then approve, modify, or reject. The N&G Committee will then propose such compensation to the Board for approval. The Compensation Committee, N&G Committee, and the Board consider committee assignments and committee chair responsibilities, as well as the overall time requirements of the directors in determining the level of long-term equity incentive awards to be granted, if any.

For 2023, non-employee director compensation was comprised of an annual cash retainer of \$71,000. No equity grants were made to non-employee directors for 2023.

The following table reflects the total compensation earned by or paid to our non-employee directors in 2023.

### Director Compensation for 2023

Name and Principal Position	Fees Earned or Paid in Cash (\$)	Option Awards (\$) <sup>(1)</sup>	Stock Awards (\$) <sup>(2)</sup>	Total (\$)
Chelsea A Grayson <sup>(3)</sup>	38,000	—	—	—
Ross M. Hussey	71,000	—	—	71,000
Victor E. Mancebo	71,000	—	—	71,000
Judd T. Nordquist	71,000	—	—	71,000

(1) At December 31, 2023, the directors had the following Goodness Options outstanding: Mr. Hussey held 175,025 vested Goodness Options and 60,105 unvested Goodness Options that vested in full on March 31, 2024; Mr. Mancebo held 109,526 vested Goodness Options and 59,988 unvested Goodness Options that vested in full on March 31, 2024;

Mr. Nordquist held 450,465 vested Goodness Options and 140,239 unvested options that vested in full on March 31, 2024.

- (2) At December 31, 2023, the directors had the following Goodness restricted stock units (“**Goodness RSUs**”) outstanding: Mr. Hussey held 39,637 vested Goodness RSUs and 22,113 unvested RSUs that vest ratably on the first three anniversaries of the grant date, March 15, 2022, and 57,161 unvested RSUs that vest ratably on the first three anniversaries of the grant date, December 14, 2022; Mr. Mancebo held 39,637 vested Goodness RSUs and 22,113 unvested RSUs that vest ratably on the first three anniversaries of the grant date, March 15, 2022, and 57,161 unvested RSUs that vest ratably on the first three anniversaries of the grant date, December 14, 2022; Mr. Nordquist held 39,637 vested Goodness RSUs and 22,113 unvested RSUs that vest ratably on the first three anniversaries of the grant date, March 15, 2022, and 57,161 unvested RSUs that vest ratably on the first three anniversaries of the grant date, December 14, 2022. All RSUs settle and pay out the third anniversary of the grant date.
- (3) Ms. Grayson resigned from the Company’s Board in March 2023.

## EXECUTIVE COMPENSATION

### Overview of Executive Compensation

As an “emerging growth company” and “smaller reporting company” under the rules and regulations of the SEC, Goodness Growth is required to provide a Summary Compensation Table and an Outstanding Equity Awards at Fiscal Year End Table, as well as limited narrative disclosures regarding executive compensation for our last completed fiscal year. These reporting obligations extend only to our “named executive officers”, who, under the rules for a “smaller reporting company,” are the individuals who: (1) served as our principal executive officer; (2) our two most highly compensated executive officers other than the principal executive officer; and (3) up to two additional individuals for whom disclosure would have been required but for the fact that the individual was not serving as one of our executive officers at the end of our last completed fiscal year (collectively, the “**named executive officers**” or “**NEOs**”).

The Board is authorized to review and approve annually all compensation decisions relating to the executive officers of Goodness Growth. In accordance with reduced disclosure rules applicable to emerging growth companies as set forth in Item 402 of Regulation S-K, this section explains how Goodness Growth’s compensation program is structured for its named executive officers.

For 2023, our named executive officers were Dr. Kyle E. Kingsley (former chief executive officer), Joshua Rosen (in his capacity as interim chief executive officer and interim chief financial officer), Amber Shimpa (President and corporate secretary), Patrick Peters (executive vice president of retail), John Heller (former chief financial officer), and J. Michael Schroeder (former General Counsel and Chief of Compliance).

### Compensation Governance

The Board has not adopted any formal policies or procedures to determine the compensation of our directors or executive officers. The compensation of the directors and executive officers making over \$200,000 per year is determined by the Board, based on the recommendations of the Compensation Committee. Recommendations of the Compensation Committee are made giving consideration to the objectives discussed below and, if applicable, considering applicable industry data.

For details regarding the role and composition of the Compensation Committee, see “*Board of Directors, Committees, and Governance – Committees of Our Board of Directors*”. For details regarding the experience of the members of the Compensation Committee, see “*Directors and Executive Officers*” and “*Board of Directors, Committees, and Governance*.”

The role and responsibility of the Compensation Committee is to assist the Board in fulfilling its responsibilities for establishing compensation philosophy and guidelines. Additionally, the Compensation Committee has responsibility for recommending to the Board compensation levels for directors, recommending compensation levels, perquisites and



[Table of Contents](#)

supplemental benefits for the executive officers. In addition, the Compensation Committee is charged with reviewing Goodness Growth's equity incentive plans, including the The Vireo Health International Inc. 2019 Equity Incentive Plan (the "**2019 Incentive Plan**"), and proposing changes thereto and recommending any other employee benefit plans, incentive awards and perquisites with respect to the directors and executive officers. The Compensation Committee is responsible for approving any equity or incentive awards under the 2019 Incentive Plan. The Compensation Committee is also responsible for reviewing, approving and reporting to the Board annually (or more frequently as required) on our succession plans for our executive officers, and for overseeing our Board annual self-evaluation process.

The Compensation Committee endeavors to ensure that the philosophy and operation of our compensation program reinforces our culture and values, creates a balance between risk and reward, attracts, motivates and retains executive officers over the long-term and aligns their interests with those of our shareholders. In addition, the Compensation Committee reviews our annual disclosure regarding executive compensation for inclusion where appropriate in our disclosure documents.

## **Elements of Compensation**

### ***Base Salary***

Base salary is the fixed portion of each executive officer's total compensation. It is designed to provide income certainty. In determining the base level of compensation for the executive officers, weight is placed on the following factors: the particular responsibilities related to the position, salaries or fees paid by companies of similar size in the industry, level of experience of the executive, and overall performance and the time which the executive officer is required to devote to Goodness Growth in fulfilling his or her responsibilities.

### ***Long-Term Equity Incentive Awards***

Long-term incentives are intended to align the interests of Goodness Growth's directors and executive officers with those of the shareholders and to provide a long-term incentive that rewards these parties for their contribution to the creation of shareholder value. In establishing the number of Goodness Options, stock appreciation rights ("**SARs**"), restricted stock ("**Goodness RS Awards**") and Goodness RSUs to be granted, if any, reference is made to the recommendations made by the Compensation Committee as well as, from time to time, the number of similar awards granted to officers and directors of other publicly-traded companies of similar size, in the same business as Goodness Growth. The Compensation Committee and the Board also consider previous grants of Goodness Options and the overall number of Goodness Options that are outstanding relative to the number of outstanding securities in determining whether to make any new grants of Goodness Options, SARs, Goodness RS Awards or Goodness RSUs and the size and terms of any such grants. With respect to executive officers, the Compensation Committee and the Board also consider the level of effort, time, responsibility, ability, experience, and level of commitment of the executive officer in determining the level of long-term equity incentive awards.

**Summary Compensation Table**

The following table sets forth all compensation paid to or earned by the NEOs during the years 2023 and 2022.

<b>Name and Principal Position</b>	<b>Year</b>	<b>Salary (\$)</b>	<b>Option Awards (\$)<sup>(5)</sup></b>	<b>Stock Awards (\$)<sup>(6)</sup></b>	<b>All Other Compensation (\$)<sup>(1)</sup></b>	<b>Total (\$)</b>
Dr. Kyle E. Kingsley	2023	275,000	682,256	—	176	957,432
<i>Former Chief Executive Officer<sup>(2)</sup> and Executive Chair of the Board</i>	2022	360,000	558,435	672,430	176	1,591,041
Josh Rosen	2023	300,000	—	—	176	300,176
<i>Interim Chief Executive Officer and Chief Financial Officer</i>	2022	11,538	528,093	49,202	65,791 <sup>(8)</sup>	654,624
John A. Heller	2023	340,000	215,035	—	176	555,211
<i>Former Chief Financial Officer<sup>(3)</sup></i>	2022	300,000	269,687	305,650	176	875,513
Amber Shimpa	2023	260,000	164,061	—	176	424,237
<i>President and Corporate Secretary</i>	2022	260,000	233,729	264,897	176	758,802
J. Michael Schroeder	2023	250,000	87,861	—	176	338,037
<i>Former General Counsel and Chief Compliance Officer<sup>(4)(7)</sup></i>						
Patrick Peters	2023	200,000	—	—	176	200,176
<i>Executive Vice President of Retail<sup>(7)</sup></i>						

- (1) Consists of life insurance premiums paid on the executive's behalf.
- (2) Dr. Kingsley resigned from the position of Chief Executive Officer on February 14, 2023.
- (3) Mr. Heller was Goodness Growth's Chief Financial Officer until September 26, 2023.
- (4) Mr. Schroeder was Goodness Growth's General Counsel and Chief Compliance Officer until December 15, 2023.
- (5) The amounts reported in the Option Awards column reflects aggregate grant date fair value computed in accordance with ASC Topic 718, Compensation—Stock Compensation. These amounts reflect our calculation of the value of these awards at the grant date and do not necessarily correspond to the actual value that may ultimately be realized by the director. The assumptions used in calculating the valuations are set forth in Note 17 to the Goodness Growth Audited Financial Statements in the Goodness Growth Annual Report. At December 31, 2023 the NEOs had the following Goodness Options outstanding: Mr. Kingsley held 5,545,763 vested Goodness Options, 356,263 unvested Goodness Options which vest ratably at each quarter end until fully vested on March 31, 2026, and 503,552 unvested Goodness Options which vest ratably at each quarter end until fully vested on December 31, 2026; Mr. Heller held 1,422,899 vested Goodness Options and 0 unvested options; Ms. Shimpa held 3,099,946 vested Goodness Options, 140,346 unvested Goodness Options which vest ratably at each quarter end until fully vested on March 31, 2026, 240,963 unvested Goodness Options which vest ratably at each quarter end until fully vested on December 31, 2026, and 750,000 unvested Goodness Options of which 150,000 vest on December 31, 2024, and the remainder vest ratably at each quarter end until fully vested on December 31, 2027; Mr. Rosen held 2,079,468 vested Goodness Options and 39,985 unvested Goodness Options which fully vest on March 31, 2024; Mr. Schroeder held 1,532,359 vested Goodness Options and 0 unvested options; Mr. Peters held 583,214 vested Goodness Options, 125,000 unvested Goodness Options which vest ratably at each quarter end until fully vested on December 31, 2023, 107,959 unvested Goodness Options which vest ratably at each quarter end until fully vested on March 31, 2026, and 185,349 unvested Goodness Options which vest ratably until fully vested on December 31, 2026.
- (6) The amounts reported in the Stock Awards column reflects aggregate grant date fair value of RSUs computed in accordance with ASC Topic 718, Compensation—Stock Compensation. These amounts reflect our calculation of the value of these awards at the grant date and do not necessarily correspond to the actual value that may ultimately be realized by the director. The assumptions used in calculating the valuations are set forth in Note 17 to the Goodness Growth Audited Financial Statements in the Goodness Growth Annual Report. At December 31, 2023 the NEOs had the following Goodness RSUs outstanding: Mr. Kingsley held 313,294 vested Goodness RSUs and 175,139 unvested RSUs that vest in two installments on the anniversaries of the grant date, March 15, 2022, and 452,709 unvested RSUs that vest in two installments on the anniversaries of the grant date, December 14, 2022; Mr. Heller held 39,804 vested Goodness RSUs; Ms. Shimpa held 123,667 vested Goodness RSUs and 68,994 unvested RSUs that vest in two installments on the anniversaries of the grant date, March 15, 2022, and 178,340 unvested RSUs that vest in two

[Table of Contents](#)

installments on the anniversaries of the grant date, December 14, 2022; Mr. Rosen held 27,612 vested Goodness RSUs and 11,043 unvested RSUs that vest in two installments on the anniversaries of the grant date, March 15, 2022, and 44,181 unvested RSUs that vest in two installments on the anniversaries of the grant date, December 14, 2022; Mr. Schroeder held 118,911 vested Goodness RSUs; Mr. Peters held 95,129 vested Goodness RSUs and 53,073 unvested RSUs that vest in two installments on the anniversaries of the grant date, March 15, 2022, and 137,185 unvested RSUs that vest in two installments on the anniversaries of the grant date, December 14, 2022.

- (7) Messrs. Schroeder and Peters were not named executive officers for 2022.
- (8) Also includes director fees paid to Mr. Rosen for his services as a Director of the Company before becoming an employee.

***Employment Agreements***

***Joshua Rosen:*** On December 4, 2022, Joshua Rosen entered into an employment agreement with Goodness Growth, whereby Goodness Growth agreed to employ Mr. Rosen as its Interim President. The initial term of the agreement was for one year, or until December 4, 2023, subject to termination on an earlier date in accordance with the terms of the employment agreement, or unless either party gives written notice of termination in accordance the terms of the employment agreement. Pursuant to Mr. Rosen's agreement, Goodness Growth agreed to pay Mr. Rosen an annual base salary of \$300,000, with a potential annual cash bonus at the discretion and in an amount determined by the board of directors of Vireo Health, Inc., and a grant of equity compensation consisting of stock options to purchase 2,000,000 Subordinate Voting Shares. On February 12, 2023, Mr. Rosen and Goodness Growth entered into an amendment to the employment agreement in which he was promoted to Interim Chief Executive Officer of Goodness Growth.

***Dr. Kyle Kingsley:*** On December 28, 2020, Dr. Kingsley entered into an employment agreement with Goodness Growth, whereby Goodness Growth agreed to continue to employ Dr. Kingsley as Goodness Growth's Chief Executive Officer. The initial term of the agreement is for two years, but automatically extends for a one-year term on each succeeding one-year anniversary of the effective date of the agreement, subject to termination on an earlier date in accordance with the terms of their employment agreement, or unless either party gives written notice of non-renewal to the other party at least 180 days prior to automatic extension. Pursuant to Dr. Kingsley's agreement, Goodness Growth has agreed to pay Dr. Kingsley an annual base salary of \$360,000, with a potential annual cash bonus at Goodness Growth's discretion in an amount determined by the Board. On February 2, 2022, Dr. Kingsley and Goodness Growth entered into an amendment to the employment agreement, which provided that (i) he will receive a retention bonus equal to 100% of his annual base salary on the closing date of a change in control transaction, provided he is either still employed by Goodness Growth on such date or any termination of his employment prior thereto was not by Goodness Growth for cause (as defined in the employment agreement) or by him without good reason (as defined in the employment agreement), (ii) previously granted equity awards that remain unvested will vest immediately prior to the closing date of a change in control transaction, provided he is either still employed by Goodness Growth on such date or any termination of his employment prior thereto was not by Goodness Growth for cause or by him without good reason, and (iii) amended the severance payment rights upon termination of employment after a change in control (as defined in his employment agreement) such that if his employment is terminated by Goodness Growth without cause (as defined in his employment agreement) or by him for good reason (as defined in his employment agreement) during the twelve months following a change in control (as defined in his employment agreement), he will receive a lump sum payment equal to 200% of his annual base salary in place at the time. On February 12, 2023, Dr. Kingsley and Goodness Growth entered into a Third Amendment to the employment agreement which (i) provided for Dr. Kingsley's resignation as Chief Executive Officer and his appointment to the role of Executive Chairman of Goodness Growth, (ii) lowered his annual base compensation to \$260,000 per year, notwithstanding anything to the contrary in his employment agreement, and (iii) provides that all calculations of payments due to Dr. Kingsley as a result of a future separation of his employment shall be made as if his base salary were \$360,000 per year. All other terms of Dr. Kingsley's employment agreement, as previously amended, remained in effect.

***John A. Heller:*** On December 1, 2020, John A. Heller entered into an employment agreement with Goodness Growth, whereby Goodness Growth agreed to continue to employ Mr. Heller as Goodness Growth's Chief Financial Officer. The initial term of the agreement was for two years, but automatically extends for a one-year term on each succeeding one-year anniversary of the effective date of the agreement, subject to termination on an earlier date in accordance with the

## [Table of Contents](#)

terms of their employment agreement, or unless either party gives written notice of non-renewal to the other party at least 180 days prior to automatic extension. Pursuant to Mr. Heller's agreement, Goodness Growth has agreed to pay Mr. Heller an annual base salary of \$300,000, with a potential annual cash bonus at Goodness Growth's discretion in an amount determined by Goodness Growth's Chief Executive Officer. On February 2, 2022, Mr. Heller and Goodness Growth entered into the first amendment to the employment agreement, which provided that (i) he will receive a retention bonus equal to 50% of his annual base salary on the closing date of a change in control transaction, provided he is either still employed by Goodness Growth on such date or any termination of his employment prior thereto was not by Goodness Growth for cause (as defined in the employment agreement) or by him without good reason (as defined in the employment agreement), and (ii) previously granted equity awards that remain unvested will vest immediately prior to the closing date of a change in control transaction, provided he is either still employed by Goodness Growth on such date or any termination of his employment prior thereto was not by Goodness Growth for cause or by him without good reason. Subsequently, on December 14, 2022, Mr. Heller and Goodness Growth entered into the second amendment to the employment agreement, which provided for the grant of equity compensation consisting of (i) stock options to purchase 370,712 Subordinate Voting Shares and (ii) 308,665 RSUs, each which represent the right to receive one Subordinate Voting Share.

**Patrick Peters:** On December 1, 2020, we entered into an employment agreement with Patrick Peters, in which he agreed to serve as Goodness Growth's Executive Vice President, Retail for an initial term of two years (the "**Peters Employment Agreement**"). Pursuant to the agreement, Mr. Peters received an annual base salary of \$200,000, with a potential annual cash bonus at our Chief Executive Officer's discretion and in an amount determined by our Chief Executive Officer. The Peters Employment Agreement contains the same post-termination rights and benefits as our NEOs, which are described below under "*Termination and Change in Control Benefits.*" We entered into both the first and second amendments to the Peters Employment Agreement on February 2, 2022 (collectively, the "**Amended Peters Employment Agreement**"). Mr. Peters and Goodness Growth entered into an amendment to the employment agreement, which provided that (i) he will receive a retention bonus equal to 50% of his annual base salary on the closing date of a change in control transaction, provided he is either still employed by Goodness Growth on such date or any termination of his employment prior thereto was not by Goodness Growth for cause (as defined in the employment agreement) or by him without good reason (as defined in the employment agreement), and (ii) previously granted equity awards that remain unvested will vest immediately prior to the closing date of a change in control transaction, provided he is either still employed by Goodness Growth on such date or any termination of his employment prior thereto was not by Goodness Growth for cause or by him without good reason. The Amended Peters Employment Agreement also provided a grant of stock options to purchase 247,141 Subordinate Voting Shares and a grant of 205,777 restricted stock units, each of which represents the right to receive one Subordinate Voting Share.

**Amber Shimpa:** We entered into an employment agreement with Ms. Shimpa effective December 1, 2020 (the "**Shimpa Employment Agreement**") with a two-year term, pursuant to which she receives an annual base salary of \$260,000, with a potential annual cash bonus at the Company's discretion in an amount determined by our Chief Executive Officer. The Shimpa Employment Agreement contains the same post-termination rights and benefits as our NEOs, which are described below under "*Termination and Change in Control Benefits.*" We entered into the first, second, third and fourth amendments to the Shimpa Employment Agreement on February 2, 2022, December 14, 2022, February 12, 2023 and December 21, 2023, respectively (collectively, the "**Amended Shimpa Employment Agreement**"). The Amended Shimpa Employment Agreement, among other things, revised certain termination benefits, provided the terms of equity compensation grants, appointed her President of Goodness Growth and Chief Executive Officer of Vireo, and provided a grant of stock options to purchase 750,000 Subordinate Voting Shares and terms thereof, and a \$25,000 cash bonus. As an executive officer, her compensation is reviewed, determined, and approved by the Compensation Committee.

**Michael Schroeder:** We entered into an employment agreement with Mr. Schroeder effective December 1, 2020 (the "**Schroeder Employment Agreement**") with a two-year term, pursuant to which he receives an annual base salary of \$307,500, with a potential annual cash bonus at the Company's discretion in an amount determined by our Chief Executive Officer. The Schroeder Employment Agreement contains the same post-termination rights and benefits as our NEOs, which are described below under "*Termination and Change in Control Benefits.*" On February 2, 2022, Mr. Schroeder and Goodness Growth entered into the first amendment to the employment agreement, which provided that (i) he will receive a retention bonus equal to 50% of his annual base salary on the closing date of a change in control transaction, provided he is either still employed by Goodness Growth on such date or any termination of his employment prior thereto was not by Goodness Growth for cause (as defined in the employment agreement) or by him without good reason (as defined in

[Table of Contents](#)

the employment agreement), and (ii) previously granted equity awards that remain unvested will vest immediately prior to the closing date of a change in control transaction, provided he is either still employed by Goodness Growth on such date or any termination of his employment prior thereto was not by Goodness Growth for cause or by him without good reason. On July 14, 2022, Mr. Schroeder and Goodness Growth entered into the second amendment to the employment agreement which provided for the grant of equity compensation consisting of (i) stock options to purchase 308,927 Subordinate Voting Shares and (ii) a grant of 257,221 restricted stock units, each of which represent the right to receive one Subordinate Voting Share. On June 7, 2023, Mr. Schroeder and Goodness Growth entered into the third amendment to the employment agreement which provided for the grant of equity compensation consisting of (i) stock options to purchase 400,000 Subordinate Voting Shares and (ii) stock options to purchase 239,907 Subordinate Voting Shares, each which represent the right to receive one Subordinate Voting Share and on the terms and vesting schedule defined in the second amendment.

**Outstanding Equity Awards at Fiscal Year-End**

The following table provides information about outstanding equity awards for the NEOs as of December 31, 2023.

Name	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Unearned Options (#)	Option Exercise Price (\$)	Option Expiration Date
Dr. Kyle E. Kingsley	277,092	356,263 <sup>(1)</sup>	—	\$ 1.7700	March 14, 2032
	167,850	503,552 <sup>(2)</sup>	—	0.3000	December 14, 2032
	5,100,821	—	—	0.3300	May 1, 2028
	262,708	— <sup>(3)</sup>	—	—	N/A
	679,064	— <sup>(4)</sup>	—	—	N/A
Josh Rosen	39,985	—	—	\$ 1.7700	March 14, 2032
	79,468	—	—	0.3000	December 14, 2032
	2,000,000	—	—	0.3000	December 14, 2032
	—	16,565 <sup>(3)</sup>	—	—	N/A
John A. Heller	—	66,272 <sup>(4)</sup>	—	—	N/A
	1,422,899	—	—	\$ 0.1757	June 6, 2033
Amber Shimpa	—	39,804 <sup>(3)</sup>	—	—	N/A
	1,050,168	—	—	\$ 0.1900	January 2, 2028
	1,860,300	—	—	0.3300	May 1, 2028
	109,157	140,346 <sup>(1)</sup>	—	1.7700	March 14, 2032
	80,321	240,963 <sup>(2)</sup>	—	0.3000	December 14, 2032
	—	750,000 <sup>(5)</sup>	—	0.2500	December 20, 2033
J. Michael Schroeder	—	103,491 <sup>(3)</sup>	—	—	N/A
	—	267,510 <sup>(4)</sup>	—	—	N/A
	1,050,168	—	—	\$ 0.3300	December 21, 2028
	77,231	—	—	0.3000	December 14, 2032
	404,960	—	—	0.1757	June 6, 2033
Patrick Peters	—	33,170 <sup>(3)</sup>	—	—	N/A
	—	85,740 <sup>(4)</sup>	—	—	N/A
	62,465	—	—	\$ 1.1300	November 19, 2029
	375,000	125,000 <sup>(6)</sup>	—	1.1900	November 29, 2030
	83,967	107,959 <sup>(1)</sup>	—	1.7700	March 14, 2032
	61,782	185,349 <sup>(2)</sup>	—	0.3000	December 14, 2032
	—	79,609 <sup>(3)</sup>	—	—	N/A
—	205,777 <sup>(4)</sup>	—	—	N/A	

(1) Goodness Options vest quarterly in equal amounts, with the final tranche vesting on March 31, 2026.

(2) Goodness Options that vest quarterly in equal amounts, with the final tranche vesting on December 31, 2026.

(3) Goodness RSUs that settle on the third anniversary of the grant date March 15, 2022.

[Table of Contents](#)

- (4) Goodness RSUs that settle on the third anniversary of the grant date December 14, 2022.
- (5) 25% of these Goodness Options vest on December 31, 2024, and the remainder will vest ratably on the last day of each calendar quarter until fully vested on December 31, 2027.
- (6) Goodness Options that vest quarterly in equal amounts, with the final tranche vesting on December 31, 2024.

**Retirement Benefit Plans**

Goodness Growth did not offer any retirement benefit plans in 2023.

**Termination and Change in Control Benefits**

***Employment Agreements***

As described in more detail above, Goodness Growth entered into employment agreements with Dr. Kingsley, Mr. Rosen, Ms. Shimpa and Mr. Peters. The following describes the benefits to which each of these executives is entitled under his employment agreement upon certain events. Under their respective agreements, none of the NEOs is eligible for any post-termination benefits in the event of termination for cause or without good reason or due to his retirement, death, or disability.

Upon a termination without Cause or for Good Reason before any Change in Control (each as defined below), the NEO would be entitled to: (i) severance equal to 50% (200% with respect to Dr. Kingsley) of his annualized base salary payable in equal installments over the 12 month period following termination and (ii) continued participation in Goodness Growth's health insurance, with Goodness Growth paying the portion of the premiums it would pay if he or she were still an employee, through the earliest of: 6 months after termination, the date he becomes eligible for group health insurance from another employer, or the date he is no longer eligible to continue participating in Goodness Growth's group health plan under applicable law.

Upon a termination without Cause or for Good Reason within 12 months after a Change in Control, the NEO would be entitled to: (i) severance equal to 50% of his annualized base salary payable in a lump sum, (ii) continued participation in Goodness Growth's health insurance, with Goodness Growth paying the portion of the premiums it would pay if he or she were still an employee, through the earliest of: 12 months after termination, the date he or she becomes eligible for group health insurance from another employer, or the date he is no longer eligible to continue participating in Goodness Growth's group health plan under applicable law, and (iii) up to \$10,000 for outplacement services within 12 months of termination.

If the NEO's employment is terminated without Cause or for Good Reason, and a Change in Control occurs (i) within 6 months after his or her termination date or (ii) within 1 year after his or her termination date, pursuant to an agreement executed within 60 days after his or her termination date, he or she is entitled to an additional cash payment equal to 50% of his or her annualized base salary in a lump sum payment no later than 10 days after the Change in Control.

In addition, pursuant to amendments to their employment agreements, (i) each NEO will receive a cash retention bonus equal to 50% (100% in the case of Dr. Kingsley) of his annual base salary on the closing date of a change in control transaction, provided he or she is either still employed by Goodness Growth on such date or any termination of his or her employment prior thereto was not by Goodness Growth for cause (as defined in the employment agreements) or by him or her without good reason (as defined in the employment agreements), and (ii) previously granted equity awards that remain unvested will vest immediately prior to the closing date of a change in control transaction. In addition, Dr. Kingsley's amended employment agreement provides that his severance payment rights upon termination of employment after a change in control (as defined in his employment agreement) such that if his employment is terminated by Goodness Growth without cause (as defined in his employment agreement) or by him for good reason (as defined in his employment agreement) during the twelve months following a change in control (as defined in his employment agreement), he will receive a lump sum cash payment equal to 200% of his annual base salary in place at the time.

[Table of Contents](#)

For purposes of the employment agreements, “Cause” means (a) the employee’s material failure to perform his job duties competently as reasonably determined by the Board, which is not cured within 15 days of notice; (b) gross misconduct by the employee which the Board reasonably determines is (or will be if continued) demonstrably and materially damaging to Goodness Growth; (c) fraud, misappropriation, or embezzlement by the employee; (d) an act or acts of dishonesty by the employee and intended to result in gain or personal enrichment of the employee at the expense of Goodness Growth; (e) the employee’s conviction of or plea of nolo contendere to a felony regardless of whether involving Goodness Growth and whether or not committed during the course of his employment, other than with respect to any criminal penalties related to the illegality of possessing or using Marijuana under the Controlled Substance Act, 21 U.S.C. Section 812(b); (f) his violation of Goodness Growth’s Code of Conduct, Employee Handbook or other material written policy, as reasonably determined by the Board, which is not cured within 15 days of notice; or (g) the employee’s material breach of his employment agreement or the Restrictive Covenants Agreement.

For purposes of the employment agreements, “Good Reason” means the initial occurrence of any of the following events without the employee’s consent: (a) a material diminution in the employee’s responsibilities, authority or duties or a change in his title; (b) a material diminution in the employee’s salary, other than a general reduction in base salaries that affects all similarly situated Goodness Growth employees in substantially the same proportions; (c) a relocation of the employee’s principal place of employment to a location more than 50 miles from Goodness Growth’s headquarters in Minneapolis, Minnesota; or (d) the material breach of his employment agreement by Goodness Growth; provided, however, that “Good Reason” does not exist unless the employee first provides written notice to Goodness Growth within 30 days of the condition’s occurrence, such occurrence is not cured by Goodness Growth within 30 days of receipt of such notice, and the employee’s termination date occurs within 90 days of the initial occurrence of the condition.

For purposes of the employment agreements and the equity incentive plans, “Change in Control” means the occurrence of any of the following events:

- (i) Change in Ownership of Goodness Growth. A change in the ownership of Goodness Growth which occurs on the date that any one person, or more than one person acting as a group (“Person”), acquires ownership of the stock of Goodness Growth that, together with the stock held by such Person, constitutes more than 50% of the total voting power of the stock of Goodness Growth, except that any change in the ownership of the stock of Goodness Growth as a result of a private financing of Goodness Growth that is approved by the Board will not be considered a Change in Control.
- (ii) Change in Effective Control of Goodness Growth. If Goodness Growth has a class of securities registered pursuant to Section 12 of the Exchange Act, a change in the effective control of Goodness Growth which occurs on the date that a majority of members of the Board is replaced during any 12-month period by Directors whose appointment or election is not endorsed by a majority of the members of the Board prior to the date of the appointment or election. For purposes of this clause (ii), if any Person is considered to be in effective control of Goodness Growth, the acquisition of additional control of Goodness Growth by the same Person will not be considered a Change in Control.
- (iii) Change in Ownership of a Substantial Portion of Goodness Growth’s Assets. A change in the ownership of a substantial portion of Goodness Growth’s assets which occurs on the date that any Person acquires (or has acquired during the 12-month period ending on the date of the most recent acquisition by such person or persons) assets from Goodness Growth that have a total gross fair market value equal to or more than 50% of the total gross fair market value of all of the assets of Goodness Growth immediately prior to such acquisition or acquisitions. For purposes of this subsection (iii), gross fair market value means the value of the assets of Goodness Growth, or the value of the assets being disposed of, determined without regard to any liabilities associated with such assets.
- (iv) Persons will be considered to be acting as a group if they are owners of a corporation that enters into a merger, consolidation, purchase, or acquisition of stock, or similar business transaction with Goodness Growth.
- (v) Notwithstanding the foregoing, a transaction will not be deemed a Change in Control unless the transaction qualifies as a change in control event within the meaning of Code Section 409A, as it has been and may be

[Table of Contents](#)

amended from time to time, and any proposed or final Treasury Regulations and Internal Revenue Service guidance that has been promulgated or may be promulgated thereunder from time to time.

- (vi) Further and for the avoidance of doubt, a transaction will not constitute a Change in Control if: (A) its sole purpose is to change the jurisdiction of Goodness Growth's incorporation, or (B) its sole purpose is to create a holding company that will be owned in substantially the same proportions by the persons who held Goodness Growth's securities immediately before such transaction.

**Equity Incentive Plan**

***Death or Disability***

In the event of the termination of a participant's employment due to death or disability, the participant's vested Goodness Options will remain exercisable for six months after the termination date and unvested Goodness Options will be terminated. Goodness Options unexercised during that time period will be terminated.

***Change in Control***

In the event of a merger of Goodness Growth with or into another corporation or other entity or a Change in Control (as defined above), each outstanding award will be treated as the administrator determines (subject to the provisions of the following paragraph) without a participant's consent, including, without limitation, that (A) awards will be assumed, or substantially equivalent awards will be substituted, by the acquiring or succeeding corporation (or an affiliate thereof) with appropriate adjustments as to the number and kind of shares and prices; (B) upon written notice to a participant, that the participant's awards will terminate upon or immediately prior to the consummation of such merger or Change in Control; outstanding awards will vest and become exercisable, realizable, or payable, or restrictions applicable to an award will lapse, in whole or in part prior to or upon consummation of such merger or Change in Control, and, to the extent the administrator determines, terminate upon or immediately prior to the effectiveness of such merger or Change in Control; (D) (I) the termination of an award in exchange for an amount of cash and/or property, if any, equal to the amount that would have been attained upon the exercise of such award or realization of the participant's rights as of the date of the occurrence of the transaction (and, for the avoidance of doubt, if as of the date of the occurrence of the transaction the administrator determines in good faith that no amount would have been attained upon the exercise of such award or realization of the participant's rights, then such award may be terminated by Goodness Growth without payment), or (II) the replacement of such award with other rights or property selected by the administrator in its sole discretion; or (E) any combination of the foregoing. In taking any of the foregoing actions, the administrator does not have to treat all awards, all awards held by a participant, or all awards of the same type, similarly.

In the event that the successor corporation does not assume or substitute for the award (or portion thereof), the participant will fully vest in and have the right to exercise all of his or her outstanding Goodness Options, including those not otherwise vested or exercisable, and the Goodness Options will be exercisable for a period of time determined by the administrator.

An award will be considered assumed if, following the merger or Change in Control, the award confers the right to purchase or receive, for each Goodness Share subject to the award immediately prior to the merger or Change in Control, the consideration (whether stock, cash, or other securities or property) received in the merger or Change in Control by holders of Subordinate Voting Shares for each Goodness Share held on the effective date of the transaction (and if holders were offered a choice of consideration, the type of consideration chosen by the holders of a majority of the outstanding Goodness Shares); provided, however, that if such consideration received in the merger or Change in Control is not solely common shares of the successor corporation or its parent, the administrator may, with the consent of the successor corporation, provide for the consideration to be received upon the exercise of a Goodness Option for each Goodness Share subject to such award, to be solely common shares of the successor corporation or its parent equal in fair market value to the per share consideration received by holders of Subordinate Voting Shares in the merger or Change in Control.

Notwithstanding the language in the equity plans, pursuant to the aforementioned employment agreements, previously granted equity awards that remain unvested will vest immediately prior to the closing date of a change in control transaction.



**Other Termination**

For any other termination of employment, vested Goodness Options remain exercisable for 30 days after the termination date and any unvested Goodness Options and vested Goodness Options not exercised during this time period will be terminated.

**Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters**

**Securities Authorized for Issuance Under Our Equity Compensation Plans**

Goodness Growth adopted the 2019 Incentive Plan effective March 18, 2019, permitting the grant of Awards, as more fully described below. In addition, from time to time, we may grant Options as incentives or compensation mechanisms for executives and directors pursuant to their employment agreements.

**Equity Compensation Plan Information**

The following table sets out information as of December 31, 2023, with respect to outstanding security based compensation arrangements, including the 2019 Incentive Plan.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and RSUs (\$)	Number of securities remaining available for future issuance under equity compensation plans
Equity compensation plans approved by security holders	9,612,866 <sup>(1)</sup>	1.10	4,699,767
Equity compensation plans not approved by security holders	22,899,468 <sup>(2)</sup>	0.28	—
<b>Total</b>	<b>32,512,334</b>	<b>0.53</b>	<b>4,699,767</b>

(1) This figure represents 8,307,947 outstanding Options and 1,304,919 RSUs, each granted under the 2019 Incentive Plan.

(2) This figure represents 21,661,377 outstanding Options and 1,238,091 RSUs granted outside of the 2019 Incentive Plan to certain executive officers and employees pursuant to the terms of their employment agreements or amendments thereto.

At April 29, 2024, the following Awards were outstanding under the 2019 Incentive Plan: (1) Options exercisable for a total of 5,267,073 Shares, representing 3.7% of the then outstanding number of Shares; and (2) RSUs covering the right to receive a total of 1,238,579 Shares, representing 0.9% of the then outstanding number of Shares.

At April 29, 2024, the following Awards were outstanding outside of the 2019 Incentive Plan: (1) Options exercisable for a total of 19,988,675 Shares, representing 14.0% of the then outstanding number of Shares; and (2) RSUs covering the right to receive a total of 1,238,091 Shares, representing 0.9% of the then outstanding number of Shares.

As of April 29, 2024, an aggregate of 4,699,767 Shares remained available for issuance under the 2019 Incentive Plan, representing approximately 3.3% of the then outstanding number of Shares. No Shares are reserved and available for issuance outside of the 2019 Incentive Plan.

## Summary of Terms and Conditions of the 2019 Incentive Plan

The principal features of the 2019 Incentive Plan are summarized below.

### *Purpose*

The purpose of the 2019 Incentive Plan is to enable Goodness Growth and its affiliated companies to: (i) attract and retain the best available personnel for positions of substantial responsibility for Goodness Growth, (ii) to provide additional incentive to employees, directors, and consultants of Goodness Growth, and (iii) to promote the success of Goodness Growth's business.

The 2019 Incentive Plan permits the grant of Awards, as defined herein and more fully described below.

### *Eligibility*

Any employees, officers, directors, or consultants of Goodness Growth or its affiliated companies are eligible to participate in the 2019 Incentive Plan if selected by the administrator of the 2019 Incentive Plan, being the Compensation Committee, failing which the administrator of the Plan will be the Board (the "**Participants**"). The basis of participation of an individual under the 2019 Incentive Plan, and the type and amount of any Award that an individual will be entitled to receive under the 2019 Incentive Plan, will be determined by the Compensation Committee or the Board based on its judgment as to the best interests of Goodness Growth and its shareholders, and therefore cannot be determined in advance.

The maximum number of Shares that may be issued under the 2019 Incentive Plan is 10% of the Shares outstanding from time to time (assuming the conversion of all Multiple Voting Shares into Subordinate Voting Shares). Any Shares subject to an Award under the 2019 Incentive Plan that are forfeited, surrendered, cancelled, repurchased, expire unexercised, are settled in cash, or are used or withheld to satisfy tax withholding obligations of a Participant are again available for Awards under the 2019 Incentive Plan. Notwithstanding the foregoing, the maximum number of Shares that may be issued pursuant to the exercise of ISOs is 14,312,633 plus the number of Shares that are again available as a result of the previous sentence, to the extent allowable under the United States Internal Revenue Code of 1986, as amended (the "**Code**") and the Treasury Regulations under the Code.

### *Awards Options*

Options granted under the 2019 Incentive Plan are subject to the terms and conditions established by the Compensation Committee or the Board and set forth in the applicable award agreement. The Compensation Committee or the Board is authorized to grant Options to purchase Shares that are either ISOs, meaning they are intended to satisfy the requirements of Section 422 of the Code, or NSOs, meaning they are not intended to satisfy the requirements of Section 422 of the Code.

Under the terms of the 2019 Incentive Plan, the exercise price of the Options will not be less than 100% of the "Fair Market Value" per Share on the date of grant. The "Fair Market Value" on any date means (i) the closing price of the Shares on an established stock exchange on such date, (ii) if the Shares are regularly quoted by a recognized securities dealer but selling prices are not reported, the Fair Market Value will be the mean between the high bid and low asked prices for the Shares on the day of determination, or (iii) in the absence of an established market for the Shares, the Fair Market Value will be determined in good faith by the Compensation Committee or the Board. Notwithstanding the foregoing, in the case of (i) above, as the Shares are listed on the CSE, for the purposes of establishing the exercise price of any Options, the Fair Market Value shall not be lower than the greater of the closing market price of the Subordinate Voting Shares on the CSE on (A) the trading day prior to the date of grant of the Options, and (B) the date of grant of the Options. In addition, in the case of an ISO granted to an employee who owns stock representing more than 10% of the voting power of all classes of stock of Goodness Growth, the per Share exercise price will be no less than 110% of the Fair Market Value per Share on the date of grant.

The maximum term of an Option granted under the 2019 Incentive Plan will be ten years from the date of grant (or five years in the case of an ISO granted to a 10% shareholder).

## [Table of Contents](#)

Payment in respect of the exercise of an Option may be made in cash, cheque, promissory note (to the extent permitted by applicable law), other Shares, cashless exercise consideration, net exercise, or by such other method as the Compensation Committee or the Board may determine to be appropriate and permitted by applicable law, or any combination of the foregoing.

If a Participant ceases to be an employee, officer, director or consultant of Goodness Growth or an affiliated company, other than upon the Participant's termination as the result of the Participant's death or disability, the Participant may exercise his or her Option within 30 days of termination, or such longer period of time as is specified in the award agreement (but not later than the expiration of the term of such Option as set forth in the award agreement) to the extent that the Option is vested on the date of termination. If a Participant ceases to be an employee, officer, director or consultant of Goodness Growth or an affiliated company as a result of the Participant's disability, the Participant may exercise his or her Option within 6 months of termination, or such longer period of time as is specified in the award agreement (but not later than the expiration of the term of such Option as set forth in the award agreement) to the extent the Option is vested on the date of termination. If a Participant dies while an employee, officer, director or consultant of Goodness Growth or an affiliated company, the Option may be exercised within 6 months following the Participant's death, or within such longer period of time as is specified in the award agreement (but not later than the expiration of the term of such Option as set forth in the award agreement) to the extent that the Option is vested on the date of death, by the Participant's designated beneficiary or personal representative or in accordance with the will or the laws of descent. In the case of any unvested Options, the Shares covered by the Option will revert to the 2019 Incentive Plan. Notwithstanding the foregoing, at any time after the grant of an Option, the Compensation Committee or the Board, in its sole discretion, may reduce or waive the vesting criteria applicable to the Option.

### *Restricted Stock*

A restricted stock award is a grant of Shares to a Participant, which Shares are subject to forfeiture restrictions during a restriction period. The restriction period may be based on the passage of time, the achievement of target levels of performance, or the occurrence of such other events as determined by the Compensation Committee, or the Board. Each Award of restricted stock will be evidenced by an award agreement that will specify the restriction period, the number of Shares granted, and such other terms and conditions as the Compensation Committee or the Board determines. The Compensation Committee or the Board can impose such restrictions on the restricted stock as it deems advisable. The Compensation Committee or the Board, in their discretion, may accelerate the time at which any restrictions will lapse or be removed. During the restriction period, Participants holding shares of restricted stock under the 2019 Incentive Plan may not vote those Shares but will be entitled to receive all dividends and other distributions paid with respect to such Shares (unless the Compensation Committee or the Board provide otherwise).

### *RSUs*

An RSU is a bookkeeping entry representing an amount equal to the Fair Market Value of one Share. The Compensation Committee or the Board will set vesting criteria in its discretion, which, depending on the extent to which the criteria are met, will determine the number of RSUs that will be paid out to the Participant. The Compensation Committee or the Board may set vesting criteria based upon the achievement of company-wide, business unit, or individual goals (including, but not limited to, continued employment or service), or any other basis determined by the Compensation Committee or the Board in its discretion. Upon meeting the applicable vesting criteria, the Participant will be entitled to receive a payout as determined by the Compensation Committee or the Board. Notwithstanding the foregoing, at any time after the grant of RSUs, the Compensation Committee or the Board, in their sole discretion, may reduce or waive any vesting criteria that must be met to receive a payout.

### *Stock Appreciation Rights*

An SAR entitles the Participant to receive, upon exercise of the SAR, the increase in the Fair Market Value of a specified number of Shares from the date of the grant of the SAR and the date of exercise payable in Shares. Each SAR grant will be evidenced by an award agreement that will specify the exercise price, the term of the SAR, the conditions of exercise, and such other terms and conditions as the Compensation Committee, in its sole discretion, will determine; provided that the per share exercise price for the Shares that will determine the amount of the payment to be received upon exercise of

[Table of Contents](#)

a SAR will be no less than 100% of the Fair Market Value per Share on the date of grant. No SAR may be exercised more than ten years from the grant date.

*General*

The Compensation Committee or the Board may impose restrictions on the grant, exercise or payment of an Award as it determines appropriate. Generally, Awards granted under the 2019 Incentive Plan shall be nontransferable except by will, by the laws of descent and distribution, by Rule 701 under the U.S. Securities Act of 1933, as amended, and by National Instrument 45-106 *Prospectus Exemptions*, to the extent applicable. No Participant shall have any rights as a shareholder with respect to Shares covered by Options, SARs, restricted stock awards, or RSUs, unless and until such Awards are settled in Shares.

No Option (or, if applicable, SARs) shall be exercisable, no Shares shall be issued, no certificates for Shares shall be delivered and no payment shall be made under the 2019 Incentive Plan except in compliance with all applicable laws.

The Board may amend, alter, suspend or terminate the 2019 Incentive Plan and the Compensation Committee or the Board may amend any outstanding Award at any time; provided that (i) such amendment, alteration, suspension, discontinuation, or termination shall be subject to the approval of Shareholders if such approval is necessary to comply with any applicable laws, (ii) no such amendment, alteration, suspension or termination may impair the rights of a Participant without the Participant's written agreement, and (iii) such amendment, alteration, suspension, discontinuation, or termination is in compliance with CSE Policies.

In the event of any dividend, recapitalization, forward or reverse stock split, reorganization, merger, consolidation, split-up, split-off, combination, repurchase or exchange of Shares or other securities of Goodness Growth, or other change in the corporate structure of Goodness Growth affecting the Shares occurs, the Compensation Committee or the Board will make such adjustment, which is appropriate in order to prevent diminution or enlargement of the benefits or potential benefits to Participants under the 2019 Incentive Plan, to the number and class of shares of stock that may be delivered under the 2019 Incentive Plan and/or the number, class, and price of shares of stock covered by each outstanding Award.

In the event of a merger of Goodness Growth with or into another entity or a change in control, each outstanding Award will be treated as the Compensation Committee or Board determine without a Participant's consent, including, without limitation, that (A) Awards will be assumed, or substantially equivalent Awards will be substituted, by the acquiring or succeeding corporation with appropriate adjustments as to the number and kind of shares and prices; (B) upon written notice to a Participant, that the Participant's Awards will terminate upon or immediately prior to the consummation of such merger or change in control; (C) outstanding Awards will vest and become exercisable, realizable, or payable, or restrictions applicable to an Award will lapse, in whole or in part prior to or upon consummation of such merger or change in control, and, to the extent the Compensation Committee or the Board determine, terminate upon or immediately prior to the effectiveness of such merger or change in control; (D) (I) the termination of an Award in exchange for an amount of cash and/or property, if any, equal to the amount that would have been attained upon the exercise of such Award or realization of the Participant's rights as of the date of the occurrence of the transaction (and, for the avoidance of doubt, if as of the date of the occurrence of the transaction the Compensation Committee or the Board determines in good faith that no amount would have been attained upon the exercise of such Award or realization of the Participant's rights, then such Award may be terminated by Goodness Growth without payment), or (II) the replacement of such Award with other rights or property selected by the Compensation Committee or Board in its sole discretion; or (E) any combination of the foregoing. In the event that the successor corporation does not assume or substitute for the Award (or portion thereof), the Participant will fully vest in and have the right to exercise all of his or her outstanding Options and SARs, including Shares as to which such Awards would not otherwise be vested or exercisable, all restrictions on restricted stock and RSUs will lapse, and, with respect to Awards with performance-based vesting, all performance goals or other vesting criteria will be deemed achieved at 100% of target levels and all other terms and conditions met.

The grant of an Award shall not be construed as giving a Participant the right to be retained as an employee, officer or consultant of Goodness Growth or any affiliate company, nor will it affect in any way the right of Goodness Growth or an affiliate company to terminate a Participant's employment or engagement at any time, with or without cause, in accordance with applicable law.

*Tax Withholding*

Goodness Growth may take such action as it deems appropriate to ensure that all applicable federal, state, local, foreign or other taxes, which are the sole and absolute responsibility of a Participant, are withheld or collected from such Participant.

**BENEFICIAL OWNERSHIP OF SHARES**

The following table sets forth the beneficial ownership of Goodness Growth's Shares as of April 29, 2024 for (i) each member of the Board, (ii) each NEO, (iii) each person known to Goodness Growth to be the beneficial owner of more than 5% of Goodness Growth's securities, and (iv) the directors and executive officers as a group. Beneficial ownership is determined according to the rules of the SEC. Generally, a person has beneficial ownership of a security if the person possesses sole or shared voting or investment power of that security, including any securities of which a person has the right to acquire beneficial ownership within 60 days. Except as otherwise noted, each beneficial owner listed in the table has sole voting and investment power with regard to the Goodness Shares owned by such person. The ownership percentages are based on the following Goodness Shares outstanding at the close of business on April 29, 2024: 111,041,230 Subordinate Voting Shares, 320,851 Multiple Voting Shares.

Name and Address of Beneficial Owner	Subordinate Voting Shares		Multiple Voting Shares		Total <sup>(1)</sup>	
	Number Beneficially Owned	% of Total Subordinate Voting Shares	Number Beneficially Owned	% of Total Multiple Voting Shares	Number of Capital Stock Beneficially Owned	% of Total Capital Stock
Robert James Barnard/Black Maple Capital Management LP <sup>(2)</sup>	16,500,621	14.9	—	—	16,500,621	11.5 %
Chicago Atlantic Group, LP <sup>(3)</sup>	70,760,789	41.3 %	—	—	70,760,789	34.8 %
<b>NEOs and Directors</b>						
Dr. Kyle E. Kingsley	12,168,411 <sup>(4)</sup>	10.4 %	—	—	12,168,411	8.2 %
Joshua Rosen	2,849,467 <sup>(5)</sup>	2.5	—	—	2,849,467	2.0 %
Ross M. Hussey	235,130 <sup>(6)</sup>	*	16,803	5.2 %	1,915,430	1.3 %
Victor E. Mancebo	169,514 <sup>(7)</sup>	*	—	—	169,514	*
Judd T. Nordquist	590,704 <sup>(8)</sup>	*	—	—	590,704	*
Amber Shimpa	3,158,620 <sup>(9)</sup>	2.8	8,521	2.7 %	4,010,720	2.7 %
Patrick Peters	641,906 <sup>(10)</sup>	*	—	—	641,906	*
John A. Heller	1,422,899 <sup>(11)</sup>	1.3	—	—	1,422,899	1.0 %
J. Michael Schroeder	1,532,359 <sup>(12)</sup>	1.4 %	—	—	1,532,359	1.1 %
Directors and executive officers as a group (7 persons) <sup>(13)</sup>	18,713,779	15.1 %	26,169	8.2 %	22,430,653	14.4 %

\*Less than 1%.

- (1) Total share values assume all outstanding Multiple Voting Shares have been converted to Subordinate Voting Shares. Each Multiple Voting Share is convertible into 100 Subordinate Voting Shares.
- (2) Reflects the Goodness Shares as reported on the Schedule 13G/A filed by Robert James Barnard (“**Barnard**”) and Black Maple Capital Management LP (“**BMC**”) with the SEC on January 19, 2024. BMC has sole voting/dispositive power of 4,765,325 subordinate voting shares. BMC is an investment adviser registered with the SEC. The securities reported by BMC on the Schedule 13G/A represent shares beneficially owned by BMC on behalf of its client, Black Maple Capital Partners LP (“**Private Fund**”), a private fund managed by BMC. In its capacity as investment manager to the Private Fund, BMC has sole voting and dispositive power over the securities reported. Barnard has sole voting/dispositive power over 11,735,296 subordinate voting shares. Barnard is the Chief Executive Officer/Chief Investment Officer of BMC, and the control person of BMC as the managing member of Black Maple Capital Holdings LLC, the general partner of BMC. The securities reported by Barnard on the Schedule 13G/A represent: (i) shares beneficially owned by Barnard on behalf of two limited liability companies, Waheela LLC and AFANC LLC, for which Barnard serves as the manager; and (ii) shares beneficially owned by BMC on behalf of the Private Fund (as reported on the BMC cover page). Barnard has sole voting and dispositive power over the securities held by Waheela LLC and AFANC LLC. Barnard and BMC each have an address of 250 East Wisconsin Avenue, Suite 1250 Milwaukee, WI 53202.

[Table of Contents](#)

- (3) Reflects the Goodness Shares as reported on Schedule 13D filed with the SEC on July 14, 2023 on behalf of Chicago Atlantic Group, LP (“CAG”), Chicago Atlantic Credit Opportunities, LLC (“CACO”), Chicago Atlantic Advisers, LLC (“CAA”), Chicago Atlantic Manager, LLC (“CAM”), Chicago Atlantic GP Holdings, LLC (“CAGPH”) and Chicago Atlantic Group GP, LLC (“CAGGP”). CAA is the investment manager to CACO. CAM is the managing member of CACO, and CAGPH is its managing member. CAG is the managing member of CAA and CAGGP is the general partner of CAG. Amount reported includes 54,008,965.5 shares underlying Convertible Notes, 4,894,561 shares underlying Warrants and 1,196,618 shares underlying warrants with an exercise price of C\$3.50 issued in March 2021. The business address of the reporting persons is 420 North Wabash Avenue, Suite 500, Chicago, Illinois 60611.
- (4) Includes 5,627,311 Goodness Options to purchase Subordinate Voting Shares that are exercisable within 60 days of April 25, 2024.
- (5) Includes 730,014 Subordinate Voting Shares owned by Bengal Catalyst Fund LP. As Managing Partner of Bengal Capital, Mr. Rosen has shared voting control over these shares. Also includes 2,119,453 Goodness Options to purchase Subordinate Voting Shares that are exercisable within 60 days of April 25, 2024.
- (6) Includes 235,130 Goodness Options to purchase Subordinate Voting Shares that are exercisable within 60 days of April 25, 2024.
- (7) Includes 169,514 Goodness Options to purchase Subordinate Voting Shares that are exercisable within 60 days of April 25, 2024.
- (8) Includes 590,704 Goodness Options to purchase Subordinate Voting Shares that are exercisable within 60 days of April 25, 2024.
- (9) Includes 3,135,620 Goodness Options to purchase Subordinate Voting Shares that are exercisable within 60 days of April 25, 2024.
- (10) Includes 641,906 Goodness Options to purchase Subordinate Voting Shares that are exercisable within 60 days of April 25, 2024.
- (11) Includes 1,422,889 Goodness Options to purchase Subordinate Voting Shares that are exercisable within 60 days of April 25, 2024.
- (12) Includes 1,532,359 Goodness Options to purchase Subordinate Voting Shares that are exercisable within 60 days of April 25, 2024.
- (13) Includes all directors and current executive officers.

**Item 13. Certain Relationships and Related Transactions and Director Independence**

**RELATED PARTY TRANSACTIONS**

A related party transaction includes any transaction or proposed transaction in which Goodness Growth is or will be a participant, the aggregate amount involved exceeds the lesser of \$120,000 or 1% of the average of Goodness Growth's total assets at year-end for the last two completed fiscal years, and any related party has or will have a direct or indirect material interest. Related parties include any person who is or was (since January 1, 2022, even if such person does not presently serve in that role) an executive officer or director of the Company, any shareholder beneficially owning more than 5% of any class of our voting securities or an immediate family member of any such persons. The Audit Committee is charged with oversight over related party transactions in which the Company is a participant.

**Transactions with Related Parties**

On August 17, 2021, the Company entered into a consulting agreement with Bengal Impact Partners, LLC ("**Bengal**") to serve as a strategic advisor to the Company, as amended by amendment dated December 12, 2022 (as so amended, the "**Consulting Agreement**"). Mr. Rosen, one of our directors and currently our Interim Chief Executive Officer and Interim Chief Financial Officer, is a managing partner at Bengal and has shared voting and profits interests in the firm. Pursuant to the terms of the Consulting Agreement, the Company paid Bengal a total cash amount of \$141,613 cash, including \$111,613 during 2022, issued 75,000 five-year warrants to purchase subordinate voting shares with a strike price of \$1.62 per share, and issued 75,000 five-year warrants to purchase subordinate voting shares at \$1.36 per share. The Company has no additional obligation to compensate Bengal under the Consulting Agreement.

**DIRECTOR INDEPENDENCE**

The independence of our directors is determined under the Nasdaq Rules and within the meaning of the terms defined in sections 1.4 and 1.5 of NI 52-110.

The Board has determined that three of our five current directors are independent persons under the Nasdaq Rules and NI 52-110, which is the majority of our Board: Ross M. Hussey, Victor E. Mancebo, and Judd T. Nordquist. Dr. Kyle E. Kingsley and Josh Rosen are executive officers of Goodness Growth and are therefore not independent. During fiscal year 2023, the Board determined that four of our seven then-serving directors were independent persons under the Nasdaq Rules and NI 52-110: Chelsea A. Grayson, Ross M. Hussey, Victor E. Mancebo and Judd T. Nordquist. Dr. Kyle E. Kingsley, Josh Rosen and Amber H. Shimpa were executive officers of Goodness Growth and were therefore not independent.

The independent directors meet in executive session, without the presence of non-independent directors and members of management, in conjunction with each regularly scheduled meeting of the Board. During 2023, five executive sessions were held. The Board encourages its independent directors to meet formally or informally without any non-independent directors, including members of management, being present, on an as-needed basis. In addition, the small size of the Board helps to create an atmosphere conducive to candid and open discussion among all directors.

Directors are required to attend Goodness Growth's annual meeting of shareholders, unless an urgent event intervenes. All seven of the then-serving directors attended the 2022 annual meeting of shareholders.

**Item 14. Principal Accountant Fees and Services**

**Pre-Approval Policies and Procedures**

The Audit Committee charter imposes a duty on the Audit Committee to preapprove all auditing services performed for us by our independent auditors, as well as all permitted non-audit services (including the fees and terms thereof) in order to ensure that the provision of such services does not impair the auditors' independence. Certain minimal non-audit services may be approved by the Chair of the Audit Committee on behalf of the committee in accordance with the requirements of NI 52-110. All other non-audit services must be approved by the Audit Committee as a whole.

**Audit Committee Oversight**

At no time since the commencement of Goodness Growth's most recently completed financial year was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board.

**Auditor Fees**

The Audit Committee charter requires the pre-approval of any and all audit services and permissible non-audit services to be performed by Goodness Growth's independent public accounting firm. All fees and services described in the table below were pre-approved by the Audit Committee. The aggregate fees billed for professional services provided by Davidson & Company LLP for the fiscal years ended December 31, 2023 and 2022 are as follows:

	<u>2023</u>	<u>2022</u>
Audit Fees	\$ 804,406	\$ 556,981
Tax Fees <sup>(1)</sup>	\$ 75,803	\$ 119,860
All Other Fees	—	—
<b>Total</b>	<u>\$ 880,209</u>	<u>\$ 676,841</u>

(1) Includes fees for services related to preparing and filing Form T1134 Information Return Relating to Controlled and Not Controlled Foreign Affiliates of Goodness Growth and the T2 Corporation Income Tax Return together with related schedules.



PART IV

Item 15. Exhibits and Financial Statement Schedules

EXHIBIT INDEX

Exhibit No.	Description of Exhibit
2.1+	<a href="#">Arrangement Agreement between Verano Holdings Corp. and Goodness Growth Holdings, Inc., dated January 31, 2022 (incorporated by reference to Exhibit 2.1 to our Current Report on Form 8-K filed on February 3, 2022)</a>
3.1#	<a href="#">Articles of Goodness Growth Holdings, Inc.</a>
3.2	<a href="#">Certificate of Name Change, dated June 9, 2021 (incorporated by reference to Exhibit 3.1 to Current Report on Form 8-K filed June 9, 2021)</a>
3.3	<a href="#">Notice of Articles, dated June 9, 2021 (incorporated by reference to Exhibit 3.1 to Current Report on Form 8-K filed June 9, 2021)</a>
4.1#*	<a href="#">Coattail Agreement, dated March 18, 2019, by and among Kyle E. Kingsley, Vireo Health International, Inc. and Odyssey Trust Company.</a>
4.2#	<a href="#">Form of Warrant to Purchase Subordinate Voting Shares of Vireo Health International, Inc.</a>
4.3	<a href="#">Description of Securities pursuant to Section 12(g) of the Securities Exchange Act of 1934 (incorporated by reference to Exhibit 4.3 to Annual Report on Form 10-K for the year ended December 31, 2020)</a>
4.4	<a href="#">Form of Warrant Agreement for Credit Facility's Lenders and Agent (incorporated by reference to Exhibit 4.1 to our Current Report on Form 8-K filed on March 25, 2021)</a>
4.5	<a href="#">Form of Voting Support Agreement dated January 31, 2022 (incorporated by reference to Exhibit 4.1 to our Current Report on Form 8-K filed on February 3, 2022)</a>
4.6	<a href="#">Lock-Up Agreement between Verano Holdings Corp. and Kyle Kingsley, dated January 31, 2022 (incorporated by reference to Exhibit 4.2 to our Current Report on Form 8-K filed on February 3, 2022)</a>
4.7	<a href="#">Form of Warrant Certificate dated April 28, 2023 (incorporated by reference to Exhibit 4.7 to our Registration Statement on Form S-1 filed on August 4, 2023)</a>
4.8	<a href="#">Form of Convertible Note dated April 28, 2023 (incorporated by reference to Exhibit 4.8 to our Registration Statement on Form S-1 filed on August 4, 2023)</a>
10.1†#	<a href="#">Vireo Health, Inc. 2018 Equity Incentive Plan</a>
10.2†#	<a href="#">Vireo Health International, Inc. 2019 Equity Incentive Plan</a>
10.3†#	<a href="#">Form of Incentive Stock Option Agreement under the Vireo Health, Inc. 2018 Equity Incentive Plan</a>
10.4†#	<a href="#">Form of Incentive Stock Option Agreement under the Vireo Health International, Inc. 2019 Equity Incentive Plan (Directors)</a>

[Table of Contents](#)

- 10.5†# [Form of Incentive Stock Option Agreement under the Vireo Health International, Inc. 2019 Equity Incentive Plan \(Officers\)](#)
- 10.6†# [Incentive Stock Option Agreement by and between Vireo Health International, Inc. and Kyle Kingsley, as of March 18, 2019](#)
- 10.9#\* [Lease Agreement between IIP-NY 2 LLC and Vireo Health of New York, LLC, dated October 23, 2017](#)
- 10.10# [First Amendment to Lease Agreement between IIP-NY 2 LLC and Vireo Health of New York, LLC, dated December 7, 2018](#)
- 10.11# [Second Amendment to Lease Agreement between IIP-NY 2 LLC and Vireo Health of New York, LLC, dated April 10, 2020](#)
- 10.12#\* [Commercial Lease Agreement by and between 100 Enterprise Drive, LLC and MaryMed, LLC, dated April 21, 2017](#)
- 10.13# [Lease Amendment by and between 100 Enterprise Drive, LLC and MaryMed, LLC, effective as of May 8, 2020](#)
- 10.14#\* [Lease Agreement between IIP-MN 1 LLC and Minnesota Medical Solutions, LLC, dated November 8, 2017](#)
- 10.15# [First Amendment to Lease Agreement between IIP-MN 1 LLC and Minnesota Medical Solutions, LLC, dated December 7, 2018](#)
- 10.16# [Second Amendment to Lease Agreement between IIP-MN 1 LLC and Minnesota Medical Solutions, LLC, dated September 25, 2019](#)
- 10.17# [Third Amendment to Lease Agreement between IIP-MN 1 LLC and Minnesota Medical Solutions, LLC, dated February 18, 2020](#)
- 10.18# [Fourth Amendment to Lease Agreement between IIP-MN 1 LLC and Minnesota Medical Solutions, LLC, dated April 10, 2020](#)
- 10.19†# [Employment Agreement between Vireo Health, Inc. and Amber Shimpa, effective as of December 1, 2020](#)
- 10.20†# [Employment Agreement between Vireo Health, Inc. and Kyle E. Kingsley, effective as of December 28, 2020](#)
- 10.21†# [Employment Agreement between Vireo Health, Inc. and Christian Gonzalez-Ocasio, effective as of December 1, 2020](#)
- 10.22†# [Employment Agreement between Vireo Health, Inc. and John Heller, effective as of December 1, 2020](#)
- 10.23+ [Credit Agreement, dated March 25, 2021 by and among Vireo Health International, Inc., and certain of its subsidiaries, the persons from time-to-time party thereto as guarantors, the lenders party thereto, and Chicago Atlantic Advisers, LLC as administrative and collateral agent \(incorporated by reference to Exhibit 10.1 to our Current Report on Form 8-K filed on March 25, 2021\)](#)
- 10.24+ [Purchase Agreement, dated November 1, 2021, by and among S Flower N Phoenix, Inc., ANR Management, LLC, Arizona Natural Remedies Inc., Elephant Head Farms LLC, and Retail Management Associates LLC \(incorporated by reference to Exhibit 10.1 to our Current Report on Form 8-K filed November 5, 2021\)](#)

## Table of Contents

- 10.25\*+ [Purchase and Sale Agreement and Joint Escrow Instructions, dated September 1, 2021, by and between Vireo Health of New York, LLC and IIP-NY 2 LLC \(incorporated by reference to Exhibit 10.1 to our Quarterly Report on Form 10-Q for the quarter ended September 30, 2021\)](#)
- 10.26\* [First Amendment to Purchase and Sale Agreement and Joint Escrow Instructions, dated September 24, 2021, by and between Vireo Health of New York, LLC and IIP-NY 2 LLC \(incorporated by reference to Exhibit 10.2 to our Quarterly Report on Form 10-Q for the quarter ended September 30, 2021\)](#)
- 10.27\* [Third Amendment to Lease Agreement, dated September 24, 2021, by and between IIP-NY 2 LLC and Vireo Health of New York, LLC \(incorporated by reference to Exhibit 10.3 to our Quarterly Report on Form 10-Q for the quarter ended September 30, 2021\)](#)
- 10.28+ [Third Amendment to Credit Agreement, dated January 31, 2022, among Goodness Growth Holdings, Inc., the other Borrowers party thereto, the Lenders party thereto, and Chicago Atlantic Admin, LLC as agent \(incorporated by reference to Exhibit 10.1 to our Current Report on Form 8-K filed February 3, 2022\)](#)
- 10.29† [Amendment to Employment Agreement, dated February 2, 2022, by and among Kyle Kingsley, Goodness Growth Holdings, Inc., and Vireo Health, Inc. \(incorporated by reference to Exhibit 10.1 to our Current Report on Form 8-K filed February 8, 2022\)](#)
- 10.30† [Amendment to Employment Agreement, dated February 2, 2022, by and among John Heller, Goodness Growth Holdings, Inc., and Vireo Health, Inc. \(incorporated by reference to Exhibit 10.2 to our Current Report on Form 8-K filed February 8, 2022\)](#)
- 10.32† [Amendment to Employment Agreement, dated February 2, 2022, by and among Amber Shimpa, Goodness Growth Holdings, Inc., and Vireo Health, Inc. \(incorporated by reference to Exhibit 10.4 to our Current Report on Form 8-K filed February 8, 2022\)](#)
- 10.33 [Fourth Amendment to Credit Agreement, dated March 2, 2022, by and among Goodness Growth Holdings, Inc., and certain of its subsidiaries, the persons from time-to-time party thereto as guarantors, the lenders party thereto, and Chicago Atlantic Advisers, LLC as administrative and collateral agent \(incorporated by reference to Exhibit 10.38 to our Annual Report on Form 10-K filed March 15, 2022\)](#)
- 10.34† [Employment Agreement between Joshua Rosen and Vireo Health, Inc., dated December 4, 2022 \(incorporated by reference to Exhibit 10.1 to our Current Report on Form 8-K filed December 8, 2022\)](#)
- 10.35† [Second Amendment to Employment Agreement, effective December 14, 2022, by and among Goodness Growth Holdings, Inc., Vireo Health, Inc., and Kyle Kingsley \(incorporated by reference to Exhibit 10.35 to our Annual Report on Form 10-K filed March 31, 2023\)](#)
- 10.36† [Second Amendment to Employment Agreement, effective December 14, 2022, by and among Goodness Growth Holdings, Inc., Vireo Health, Inc., and John Heller \(incorporated by reference to Exhibit 10.36 to Annual Report on Form 10-K filed March 31, 2023\)](#)
- 10.38† [Sixth Amendment to Credit Agreement and First Amendment to Security Agreement, dated as of March 31, 2023, by and among Goodness Growth Holdings, Inc. and certain of its subsidiaries, the persons from time-to-time parties thereto as guarantors, the lenders party thereto, and Chicago Atlantic Advisers, LLC, as administrative agent and as collateral agent \(incorporated by reference to Exhibit 10.45 to our Registration Statement on Form S-1 filed August 4, 2023\)](#)
- 10.39† [Second Amendment to Employment Agreement, effective December 14, 2022, by and among Goodness Growth Holdings, Inc., Vireo Health, Inc. and Amber Shimpa \(incorporated by reference to Exhibit 10.39 to our Annual Report on Form 10-K filed March 31, 2023\)](#)

## Table of Contents

- 10.40† [Third Amendment to Employment Agreement among Goodness Growth Holdings, Vireo Health, Inc. and Kyle Kingsley, effective February 12, 2023 \(incorporated by reference to Exhibit 10.1 to our Current Report on Form 8-K filed February 17, 2023\)](#)
- 10.41† [First Amendment to Employment Agreement, effective February 12, 2023, by and among Goodness Growth Holdings, Inc., Vireo Health, Inc. and Joshua Rosen \(incorporated by reference to Exhibit 10.2 to our Current Report on Form 8-K filed February 17, 2023\)](#)
- 10.42† [Third Amendment to Employment Agreement, effective February 12, 2023, by and among Goodness Growth Holdings, Inc., Vireo Health, Inc. and Amber Shimpa \(incorporated by reference to Exhibit 10.3 to our Current Report on Form 8-K filed February 17, 2023\)](#)
- 10.43 [Fifth Amendment to Lease Agreement between IIP-MN 1 LLC and Minnesota Medical Solutions, LLC, dated February 24, 2023 \(incorporated by reference to Exhibit 10.43 to our Annual Report on Form 10-K for the fiscal year ended December 31, 2023\)](#)
- 10.44 [Fourth Amendment to Lease Agreement, dated February 24, 2023, by and between IIP-NY 2 LLC and Vireo Health of New York, LLC \(incorporated by reference to Exhibit 10.44 to our Annual Report on Form 10-K for the fiscal year ended December 31, 2023\)](#)
- 10.45 [Consulting Agreement, dated May 24, 2023, by and between Goodness Growth Holdings, Inc. and Grown Rogue Unlimited ULC \(incorporated by reference to Exhibit 10.46 to our Registration Statement on Form S-1 filed August 4, 2023\)](#)
- 10.46 [Options Agreement dated as of August 11, 2023, by and among Vireo Health, Inc., HA-MD LLC, and certain other parties specified therein \(incorporated by reference to Exhibit 10.47 to our Quarter Report on Form 10-Q for the quarter ended September 30, 2023\)](#)
- 10.47 [First Amendment to the Consulting Agreement, dated September 20, 2023, by and between Goodness Growth Holdings, Inc. and Grown Rogue Unlimited, LLC \(incorporated by reference to Exhibit 10.48 to our Quarter Report on Form 10-Q for the quarter ended September 30, 2023\)](#)
- 10.48† [Separation Agreement dated September 21, 2023, between Vireo Health, Inc., and John Heller \(incorporated by reference to Exhibit 10.49 to our Quarter Report on Form 10-Q for the quarter ended September 30, 2023\)](#)
- 10.49† [Third Amendment to Employment Agreement by and among Goodness Growth Holdings, Inc., Vireo Health, Inc., and John Heller, dated June 7, 2023 \(incorporated by reference to Exhibit 10.1 to our Current Report on Form 8-K filed December 12, 2023\)](#)
- 10.50† [Fourth Amendment to Employment Agreement by and among Goodness Growth Holdings, Inc., Vireo Health, Inc., and Amber Shimpa, dated December 21, 2023 \(incorporated by reference to Exhibit 10.1 to our Current Report on Form 8-K filed January 9, 2024\)](#)
- 10.51† [Goodness Growth Holdings, Inc. Nonstatutory Stock Option Agreement for Amber Shimpa dated December 21, 2023 \(incorporated by reference to Exhibit 10.2 to our Current Report on Form 8-K filed January 9, 2024\)](#)
- 10.52 [Fifth Amendment to Lease Agreement, dated October 27, 2023, by and between IIP-NY 2 LLC and Vireo Health of New York, LLC \(incorporated by reference to Exhibit 10.52 to our Annual Report on Form 10 - K for the fiscal year ended December 31, 2023\)](#)
- 10.53† [Goodness Growth Holdings, Inc. Non-Plan Stock Option Agreement for Joshua Rosen, dated December 14, 2022 \(incorporated by reference to Exhibit 10.53 to our Annual Report on Form 10 - K for the fiscal year ended December 31, 2023\)](#)

## Table of Contents

- 10.54 [Goodness Growth Holdings, Inc. Non-Statutory Stock Option Agreement for Kyle Kingsley, dated December 14, 2022 \(incorporated by reference to Exhibit 10.54 to our Annual Report on Form 10 - K for the fiscal year ended December 31, 2023\)](#)
- 10.55† [Goodness Growth Holdings, Inc. Incentive Stock Option Agreement for Kyle Kingsley, dated January 4, 2023 \(incorporated by reference to Exhibit 10.55 to our Annual Report on Form 10 - K for the fiscal year ended December 31, 2023\)](#)
- 10.56† [Goodness Growth Holdings, Inc. Non-Plan Restricted Stock Unit Agreement for Kyle Kingsley, dated December 14, 2022 \(incorporated by reference to Exhibit 10.56 to our Annual Report on Form 10 - K for the fiscal year ended December 31, 2023\)](#)
- 10.57† [Goodness Growth Holdings, Inc. Non-Statutory Stock Option Agreement for John Heller \(287,888 options\), dated June 7, 2023 \(incorporated by reference to Exhibit 10.57 to our Annual Report on Form 10 - K for the fiscal year ended December 31, 2023\)](#)
- 10.58† [Goodness Growth Holdings, Inc. Non-Statutory Stock Option Agreement for John Heller \(1,314,941 options\), dated June 7, 2023 \(incorporated by reference to Exhibit 10.58 to our Annual Report on Form 10 - K for the fiscal year ended December 31, 2023\)](#)
- 10.59† [Goodness Growth Holdings, Inc. Non-Statutory Stock Option Agreement for Patrick Peters, dated December 14, 2022 \(incorporated by reference to Exhibit 10.59 to our Annual Report on Form 10 - K for the fiscal year ended December 31, 2023\)](#)
- 10.60† [Goodness Growth Holdings, Inc. Non-Plan Restricted Stock Unit Agreement for Patrick Peters, dated December 14, 2022 \(incorporated by reference to Exhibit 10.60 to our Annual Report on Form 10 - K for the fiscal year ended December 31, 2023\)](#)
- 10.61† [Goodness Growth Holdings, Inc. Non-Statutory Stock Option Agreement for Amber Shimpa, dated December 14, 2022 \(incorporated by reference to Exhibit 10.61 to our Annual Report on Form 10 - K for the fiscal year ended December 31, 2023\)](#)
- 10.62† [Goodness Growth Holdings, Inc. Non-Plan Restricted Stock Unit Agreement for Amber Shimpa, dated December 14, 2022 \(incorporated by reference to Exhibit 10.62 to our Annual Report on Form 10 - K for the fiscal year ended December 31, 2023\)](#)
- 10.63\*\* [Employment Agreement between Goodness Growth Holdings, Inc., Vireo Health, Inc. and Patrick Peters, effective as of December 1, 2020](#)
- 10.64\*\* [First Amendment to Employment Agreement, effective February 2, 2022, by and among Goodness Growth Holdings, Inc., Vireo Health, Inc. and Patrick Peters](#)
- 10.65\*\* [Second Amendment to Employment Agreement, effective February 2, 2022, by and among Goodness Growth Holdings, Inc., Vireo Health, Inc., and Patrick Peters](#)
- 21.1 [List of Subsidiaries of Goodness Growth Holdings, Inc. \(incorporated by reference to Exhibit 21.1 to our Annual Report on Form 10 - K for the fiscal year ended December 31, 2023\)](#)
- 23.1 [Consent of Davidson & Company LLP \(incorporated by reference to Exhibit 23.1 to our Annual Report on Form 10 - K for the fiscal year ended December 31, 2023\)](#)
- 24.1 [Power of Attorney \(incorporated by reference to Exhibit 24.1 to our Annual Report on Form 10 - K for the fiscal year ended December 31, 2023\)](#)

[Table of Contents](#)

31.1	<a href="#">Rule 13a-14(a)/15d-14(a) certification of Chief Executive Officer (incorporated by reference to Exhibit 31.1 to our Annual Report on Form 10 - K for the fiscal year ended December 31, 2023)</a>
31.2	<a href="#">Rule 13a-14(a)/15d-14(a) certification of Chief Financial Officer (incorporated by reference to Exhibit 31.2 to our Annual Report on Form 10-K for the fiscal year ended December 31, 2023)</a>
31.3**	<a href="#">Rule 13a-14(a)/15d-14(a) certification of Chief Executive Officer</a>
31.4**	<a href="#">Rule 13a-14(a)/15d-14(a) certification of Chief Financial Officer</a>
32.1	<a href="#">Section 1350 certification, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (incorporated by reference to Exhibit 32.1 to our Annual Report on Form 10 - K for the fiscal year ended December 31, 2023)</a>
101 <sup>^</sup>	Includes the following financial and related information from Goodness Growth's Annual Report on Form 10-K as of and for the year ended December 31, 2023, formatted in Inline Extensible Business Reporting Language (iXBRL): (1) the Consolidated Balance Sheets, (2) the Consolidated Statements of Income, (3) the Consolidated Statements of Comprehensive Income, (4) the Consolidated Statements of Changes in Stockholders' Equity, (5) the Consolidated Statements of Cash Flows, and (6) Notes to Consolidated Financial Statements
104	The cover page from this Annual Report on Form 10-K/A, formatted in Inline XBRL

† Indicates a management contract or compensatory plan or arrangement

# Previously filed as an exhibit to our registration statement on Form 10 filed on November 5, 2020 (File No. 000-56225) and subsequent amendments to our registration statement on Form 10 filed on December 22, 2020 and January 20, 2021

\* Certain confidential information has been excluded from this exhibit because it is both (i) not material and (ii) is the type of information that the registrant treats as private or confidential

+ Pursuant to Item 601(a)(5) of Regulation S-K, schedules have been omitted and will be furnished on a supplemental basis to the Securities and Exchange Commission upon request

\*\* Filed herewith

<sup>^</sup> Previously filed with the Original Form 10-K

**SIGNATURES**

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: April 29, 2024

GOODNESS GROWTH HOLDINGS, INC.

By: /s/ Joshua Rosen

Name: Joshua Rosen

Title: Interim Chief Executive Officer

**EMPLOYMENT AGREEMENT**

This Employment Agreement (“Agreement”) is entered into on December 1, 2020 (“Effective Date”) by and between Vireo Health, Inc., a Delaware corporation (the “Company”) and Patrick Peters, an individual residing in the State of New Jersey (“Employee”) (collectively “Parties” or individually “Party”).

**RECITALS**

**WHEREAS**, the Company desires to continue to employ Employee pursuant to the terms of this Agreement and Employee desires to accept such employment pursuant to the terms of this Agreement; and

**WHEREAS**, during Employee’s employment with the Company, Employee has been and will become acquainted with technical and nontechnical information which the Company has developed, acquired and uses, or which the Company has developed, acquired or used, or will develop, acquire or use, and which is commercially valuable to the Company and which the Company desires to protect, and Employee may contribute to such information through inventions, discoveries, improvements or otherwise.

**NOW, THEREFORE**, in consideration of the employment of Employee by the Company, and further in consideration of the salary, wages or other compensation and benefits to be provided by the Company to Employee, and for additional mutual covenants and conditions, the receipt and sufficiency of which are hereby acknowledged, the Company and Employee, intending legally to be bound, hereby agree as follows:

**AGREEMENT**

In consideration of the above recitals and the mutual promises set forth in this Agreement, the Parties agree as follows:

1. Nature and Capacity of Employment.

1.1 Title and Duties. Effective as of Effective Date, the Company will employ Employee as its Executive Vice President - Retail, or such other title as may be assigned to Employee by the Company’s Chief Executive Officer from time to time, pursuant to the terms and conditions set forth in this Agreement. Employee will perform such duties and responsibilities for the Company as the Company’s Chief Executive Officer may assign to Employee from time to time consistent with Employee’s position. The Employee hereby agrees to act in that capacity under the terms and conditions set forth in this Agreement. Employee shall serve the Company faithfully and to the best of Employee’s ability and shall at all times act in accordance with the law, excepting only the Controlled Substances Act as it applies to the state-licensed operations of the Company. Employee shall devote Employee’s full working time, attention and efforts to performing Employee’s duties and responsibilities under this Agreement and advancing the Company’s business interests. Employee shall follow applicable policies and procedures adopted

---



by the Company from time to time, including without limitation the Company's Code of Conduct, Employee Handbook and other Company policies, including those relating to business ethics, conflict of interest, non-discrimination and non-harassment. Employee shall not, without the prior written consent of the Company's Board of Directors (the "Board"), accept other employment or engage in other business activities during Employee's employment with the Company that may prevent Employee from fulfilling the duties or responsibilities as set forth in or contemplated by this Agreement. Employee may participate in civic, religious and charitable activities and personal investment activities to a reasonable extent, so long as such activities do not interfere with the performance of Employee's duties and responsibilities hereunder.

1.2 No Restrictions. Employee hereby represents and confirms that Employee is under no contractual or legal commitments that would prevent Employee from fulfilling Employee's duties and responsibilities as set forth in this Agreement.

1.3 Location. Employee's employment will be based at the Company's corporate headquarters. Employee acknowledges and agrees that Employee's position, duties and responsibilities may require regular travel, both in the U.S. and internationally.

2. Term. Unless terminated at an earlier date in accordance with Section 5, the term of Employee's employment with the Company under the terms and conditions of this Agreement will be for the period commencing on the Effective Date and ending on the two (2) year anniversary of the Effective Date (the "Initial Term"). On the two (2) year anniversary of the Effective Date, and on each succeeding one (1) year anniversary of the Effective Date (each an "Anniversary Date"), the Term shall be automatically extended until the next Anniversary Date (each a "Renewal Term"), subject to termination on an earlier date in accordance with Section 5 or unless either Party gives written notice of non-renewal to the other Party at least one hundred eighty (180) days prior to the Anniversary Date on which this Agreement would otherwise be automatically extended that the Party providing such notice elects not to extend the Term; provided, however, that if a Change in Control (as defined in Section 6.5) occurs during the Initial Term or during any Renewal Term then the Term will expire on the one (1) year anniversary of the date of the Change in Control. The Initial Term together with any Renewal Terms is the "Term." If Employee remains employed by the Company after the Term ends for any reason, then such continued employment shall be according to the terms and conditions established by the Company from time to time (provided that any provisions of this Agreement and the Restrictive Covenants Agreement (as defined in Section 3) that by their terms survive the termination of the Term shall remain in full force and effect).

3. Restrictive Covenants Agreement. On the Effective Date, Employee is executing a Confidential Information, Intellectual Property Rights, Non-Competition and Non-Solicitation Agreement, in the form of Exhibit A attached hereto and made a part hereof (the "Restrictive Covenants Agreement"). Employee acknowledges and agrees that the Company's execution of this Agreement and agreement to employ Employee are conditioned upon Employee executing the Restrictive Covenants Agreement. Nothing in this Agreement is intended to modify, amend, cancel or supersede the Restrictive Covenants Agreement in any manner.

4. Compensation, Benefits and Business Expenses.

4.1 Base Salary. As of the Effective Date, the Company agrees to pay Employee an annualized base salary of USD\$200,000.00 (the “Base Salary”), which Base Salary will be earned by Employee on a pro rata basis as Employee performs services and which shall be paid according to the Company’s normal payroll practices. For each of the Company’s fiscal years during the Term, the Company’s Chief Executive Officer will conduct a periodic review of Employee and, based on that review and the Chief Executive Officer’s discretion, establish Employee’s Base Salary in an amount not less than the Base Salary in effect for the prior year, unless Employee’s Base Salary is reduced as part of a general reduction in the base salaries for all officers of the Company and in substantially the same proportion as the reduction in the base salaries for all officers of the Company. The review contemplated by this Section 4.1 need not be formal, nor need it be conducted on or before a specific date.

4.2 Annual Incentive Compensation. For each of the Company’s fiscal years during the Term, Employee may be eligible to earn an annualized cash bonus if and in an amount determined by the Company’s Chief Executive Officer in his or her discretion and subject to the terms of any written document addressing such annual cash bonus as the Company’s Chief Executive Officer may adopt in his or her sole discretion. Unless specified otherwise a written annual cash bonus document applicable to Employee, Employee must be employed on the date any annual cash bonus is paid in order to earn and receive each such bonus.

4.3 [Reserved.]

4.4 Employee Benefits. While Employee is employed by the Company during the Term, Employee shall be entitled to participate in the retirement plans, health plans, and all other employee benefits made available by the Company, and as they may be changed from time to time. Employee acknowledges and agrees that Employee will be subject to all eligibility requirements and all other provisions of these benefits plans, and that the Company is under no obligation to Employee to establish and maintain any employee benefit plan in which Employee may participate. The terms and provisions of any employee benefit plan of the Company are matters within the exclusive province of the Board, subject to applicable law.

4.5 Paid Time Off. While Employee is employed by the Company during the Term, Employee shall have available unlimited personal time off in accordance with the Company’s policies then in effect. Paid time off may be used for illness or other personal business, or as vacation time off at such times so as not to materially disrupt the operations of the Company. Paid time off is intended to be used, not stored, and these days shall in no event be converted to cash, nor shall any unused days be paid to Employee upon termination of his employment under this Agreement.

4.6 Business Expenses. While Employee is employed by the Company during the Term, the Company shall reimburse Employee for all reasonable and necessary out-of-pocket business, travel and entertainment expenses incurred by Employee in the performance of Employee’s duties and responsibilities hereunder, subject to the Company’s normal policies and procedures for expense verification and documentation.

5. Termination of Employment.

5.1 Termination of Employment Events. Employee's employment with the Company is at-will. Employee's employment with the Company will terminate immediately upon:

- (a) The date of Employee's receipt of written notice from the Company of the termination of Employee's employment (or any later date specified in such written notice from the Company);
- (b) Employee's abandonment of Employee's employment or the effective date of Employee's resignation for Good Reason (as defined below) or any other reason (as specified in written notice from Employee);
- (c) Employee's Disability (as defined below); or
- (d) Employee's death.

5.2 Termination Date. The date upon which Employee's termination of employment with the Company is effective is the "Termination Date." For purposes of Sections 6.1 or 6.2 only, with respect to the timing of the Pre-CIC Severance Payments or the Post-CIC Severance Payment (as applicable), the Pre-CIC Benefits Continuation Payments or the Post-CIC Benefits Continuation Payments (as applicable), the Outplacement Payments, the Termination Date means the date on which a "separation from service" has occurred for purposes of Section 409A of the Internal Revenue Code, as amended, and the regulations and guidance thereunder (the "Code").

5.3 Resignation From Positions. Unless otherwise requested by the Board in writing, upon Employee's termination of employment with the Company for any reason Employee shall automatically resign as of the Termination Date from all titles, positions and appointments Employee then holds with the Company, whether as an officer, director, trustee or employee (without any claim for compensation related thereto), and Employee hereby agrees to take all actions necessary to effectuate such resignations.

## 6. Payments Upon Termination of Employment.

6.1 Termination of Employment Without Cause or for Good Reason During the Term and Before the First Change in Control. If Employee's employment with the Company is terminated during the Term by the Company for any reason other than for Cause (as defined in Section 6.4), or by Employee for Good Reason (as defined in Section 6.6), and the Termination Date occurs before the first Change in Control to occur during the Term, then the Company shall, in addition to paying Employee's Base Salary and other compensation earned through the Termination Date, and subject to Section 6.9,

- (a) pay to Employee as severance pay an amount equal to fifty percent (50%) of Employee's annualized Base Salary as of the Termination Date, less all legally required and authorized deductions and withholdings, payable in substantially equal installments in accordance with the Company's regular payroll cycle during the twelve (12) month period immediately following the Termination

Date, provided, however, that any installments that otherwise would be payable on the Company's regular payroll dates between the Termination Date and the 45<sup>th</sup> calendar day after the Termination Date will be delayed until the Company's first regular payroll date that is more than forty-five (45) days after the Termination Date and included with the installment payable on such payroll date (the "Pre-CIC Severance Payments"); and

- (b) if Employee is eligible for and takes all steps necessary to continue Employee's group health insurance coverage with the Company following the Termination Date (including completing and returning the forms necessary to elect COBRA coverage), pay for the portion of the premium costs for such coverage that the Company would pay if Employee remained employed by the Company, at the same level of coverage that was in effect as of the Termination Date, through the earliest of: (i) the six (6) month anniversary of the Termination Date, (ii) the date Employee becomes eligible for group health insurance coverage from any other employer, or (iii) the date Employee is no longer eligible to continue Employee's group health insurance coverage with the Company under applicable law ("Pre-CIC Benefits Continuation Payments").

6.2 Termination of Employment Without Cause or for Good Reason During the Term and Within Twelve (12) Months After the First Change in Control. If Employee's employment with the Company is terminated during the Term by the Company for any reason other than for Cause, or by Employee for Good Reason, and the Termination Date occurs on the date of the first Change in Control to occur during the Term or before the twelve (12) month anniversary of such Change in Control, then the Company shall, in addition to paying Employee's Base Salary and other compensation earned through the Termination Date, and subject to Section 6.9,

- (a) pay to Employee as severance pay an amount equal to one hundred percent (100%) of Employee's annualized Base Salary as of the Termination Date, less all legally required and authorized deductions and withholdings, payable in a lump sum on the Company's first regular payroll date that is after the expiration of all rescission periods identified in the Release (as defined in Section 6.9) but in no event later than seventy-five (75) days after the Termination Date (the "Post-CIC Severance Payment"); provided, however, if the Post-CIC Severance Payment could be made in two different calendar years based on the date on which Employee signs the Release and all rescission periods identified in the Release expire, then the Post-CIC Severance Payment shall be paid in a lump sum in the second calendar year but no later than March 15 of such calendar year;

- (b) if Employee is eligible for and takes all steps necessary to continue Employee's group health insurance coverage with the Company following the Termination Date (including completing and returning the forms necessary to elect COBRA coverage), pay for the portion of the premium costs for such coverage that the Company would pay if Employee remained employed by the Company, at the same level of coverage that was in effect as of the Termination Date, through the earliest of: (i) the twelve (12) month anniversary of the Termination Date, (ii) the date Employee becomes eligible for group health insurance coverage from any other employer, or (iii) the date Employee is no longer eligible to continue Employee's group health insurance coverage with the Company under applicable law ("Post-CIC Benefits Continuation Payments"); and
- (c) pay up to \$10,000.00 for outplacement services by an outplacement services provider selected by Employee, with any such amount payable by the Company directly to the outplacement services provider or reimbursed to Employee, in either case subject to Employee's submission of appropriate receipts before the twelve (12) month anniversary of the Termination Date (the "Outplacement Payments").

6.3 Other Termination of Employment Events. If Employee's employment with the Company is terminated by the Company or Employee for any reason upon or following the expiration of the Term, or if Employee's employment with the Company is terminated during the Term by reason of:

- (a) Employee's abandonment of Employee's employment or Employee's resignation for any reason other than Good Reason;
- (b) termination of Employee's employment by the Company for Cause; or
- (c) Employee's death or Disability, then the Company shall pay to Employee or Employee's beneficiary or Employee's estate, as the case may be, Employee's Base Salary and other compensation earned through the Termination Date and Employee shall not be eligible or entitled to receive any severance pay or benefits from the Company.

6.4 Cause Defined. "Cause" hereunder means:

- (a) Employee's material failure to perform his job duties competently as reasonably determined by the Board;
- (b) gross misconduct by Employee which the Board reasonably determines is (or will be if continued) demonstrably and materially damaging to the Company;

- (c) fraud, misappropriation, or embezzlement by Employee;
- (d) an act or acts of dishonesty by Employee and intended to result in gain or personal enrichment of Employee at the expense of the Company;
- (e) Employee's conviction of or plea of nolo contendere to a felony regardless of whether involving the Company and whether or not committed during the course of Employee's employment, other than with respect to any criminal penalties related to the illegality of possessing or using Marijuana under the Controlled Substance Act, 21 U.S.C. Section 812(b);
- (f) Employee's violation of the Company's Code of Conduct, Employee Handbook or other material written policy, as reasonably determined by the Board; or
- (g) the material breach of this Agreement of the Restrictive Covenants Agreement by Employee.

With respect to Section 6.4(a) and Section 6.4(f), the Company shall first provide Employee with written notice and an opportunity to cure such breach, if curable, in the reasonable discretion of the Board, and identify with specificity the action needed to cure within fifteen (15) days of Employee's receipt of written notice from the Company. If the Company terminates Employee's employment for Cause pursuant to this Section 6.4, then Employee shall not be eligible or entitled to receive any severance pay or benefits from the Company.

6.5 Change in Control Defined. "Change in Control" hereunder has the same meaning such term has in the Vireo Health International Inc. 2019 Equity Incentive Plan, as amended from time to time (the "Equity Incentive Plan").

6.6 Good Reason Defined. "Good Reason" hereunder means the initial occurrence of any of the following events without Employee's consent:

- (a) a material diminution in the Employee's responsibilities, authority or duties or a change in his title;
- (b) a material diminution in the Employee's salary, other than a general reduction in base salaries that affects all similarly situated Company employees in substantially the same proportions;
- (c) a relocation of the Employee's principal place of employment to a location more than fifty (50) miles from his principal place of employment on the Effective Date; or
- (d) the material breach of this Agreement by the Company. provided, however, that "Good Reason" shall not exist unless Employee has first provided written notice to the Company of the initial occurrence

of one or more of the conditions under clauses (a) through (d) above within thirty (30) days of the condition's occurrence, such condition is not fully remedied by the Company within thirty (30) days after the Company's receipt of written notice from Employee, and the Termination Date as a result of such event occurs within ninety (90) days after the initial occurrence of such event.

6.7 Disability Defined. "Disability" hereunder has the same meaning such term has in the Equity Incentive Plan.

6.8 The Company's Sole Obligation. In the event of termination of Employee's employment, the sole obligation of the Company to provide Employee with severance pay or benefits shall be its obligation to make the payments called for by Section 6.1 or Section 6.2, as the case may be, and the Company shall have no other severance-related obligation to Employee or to Employee's beneficiary or Employee's estate. For avoidance of doubt, nothing in this Section 6.8 affects Employee's right to receive any amounts due under the terms of any employee benefit plans or programs (other than any severance-related plan or program) then maintained by the Company in which Employee participates.

6.9 Conditions To Receive Payments. Notwithstanding the foregoing provisions of this Section 6, the Company will not be obligated to make the Pre-CIC Severance Payments or Pre-CIC Benefits Continuation Payments under Section 6.1, or the Post-CIC Severance Payment, Post-CIC Benefits Continuation Payments or Outplacement Payments under Section 6.2, to or on behalf of Employee unless (a) Employee signs a release of claims in favor of the Company in a form to be prescribed by the Company (the "Release"), (b) all applicable consideration periods and rescission periods provided by law with respect to the Release have expired without Employee rescinding the Release, and (c) Employee is in strict compliance with the terms of this Agreement and the Restrictive Covenants Agreement and any other written agreement between Employee and the Company.

7. Anticipatory Termination without Cause. If Employee's employment with the Company is terminated during the Term by the Company for any reason other than for Cause or by Employee for Good Reason, and a Change in Control occurs (i) within six (6) months after Employee's Termination Date or (ii) within one year after Employee's Termination Date, pursuant to an agreement executed within sixty (60) days after Employee's Termination Date, then Employee shall receive an additional cash payment equal to fifty percent (50%) of Employee's annualized Base Salary as of the Termination Date, less all legally required and authorized deductions and withholdings, payable in a single lump sum no later than ten (10) days after the date of such Change in Control.

8. Section 409A and Taxes Generally.

8.1 Taxes. The Company is entitled to withhold on and report the making of such payments as may be required by law as determined in the reasonable discretion of the Company. Except for any tax amounts withheld by the Company from any compensation that Employee may receive in connection with Employee's employment with the Company and any employer taxes required to be paid by the Company under applicable laws or regulations,

Employee is solely responsible for payment of any and all taxes owed in connection with any compensation, benefits, reimbursement amounts or other payments Employee receives from the Company under this Agreement or otherwise in connection with Employee's employment with the Company. The Company does not guarantee any particular tax consequence or result with respect to any payment made by the Company.

8.2 Section 409A. This Agreement is intended to provide for payments that satisfy, or are exempt from, the requirements of Section 409A, including Sections 409A(a)(2), (3) and (4) of the Code and current and future guidance and regulations interpreting such provisions, and should be interpreted accordingly. In furtherance of the foregoing, the provisions set forth below shall apply notwithstanding any other provision in this Agreement:

- (a) all payments to be made to Employee hereunder, to the extent they constitute a deferral of compensation subject to the requirements of Section 409A (after taking into account all exclusions applicable to such payments under Section 409A), shall be made no later, and shall not be made any earlier, than at the time or times specified in this Agreement or in any applicable plan for such payments to be made, except as otherwise permitted or required under Section 409A;
- (b) the date of Employee's "separation from service", as defined in Section 409A (and as determined by applying the default presumptions in Treas. Reg. §1.409A-1(h)(1)(ii)), shall be treated as the date of Employee's termination of employment for purposes of determining the time of payment of any amount that becomes payable to Employee related to Employee's termination of employment under Sections 10(a), 10(b) or 10(c), and any reference to Employee's "Termination Date" or "termination" of Employee's employment in Section 6.1 or Section 6.2 shall mean the date of Employee's "separation from service", as defined in Section 409A (and as determined by applying the default presumptions in Treas. Reg. §1.409A-1(h)(1)(ii));
- (c) in the case of any amounts payable to Employee under this Agreement that may be treated as payable in the form of "a series of installment payments", as defined in Treas. Reg. §1.409A-2(b)(2)(iii), Employee's right to receive such payments shall be treated as a right to receive a series of separate payments for purposes of Treas. Reg. §1.409A-2(b)(2)(iii);
- (d) to the extent that the reimbursement of any expenses eligible for reimbursement or the provision of any in-kind benefits under any provision of this Agreement would be considered deferred compensation under Section 409A (after taking into account all exclusions applicable to such reimbursements and benefits under Section 409A): (i) reimbursement of any such expense shall be made



by the Company as soon as practicable after such expense has been incurred, but in any event no later than December 31<sup>st</sup> of the year following the year in which Employee incurs such expense; (ii) the amount of such expenses eligible for reimbursement, or in-kind benefits to be provided, during any calendar year shall not affect the amount of such expenses eligible for reimbursement, or in-kind benefits to be provided, in any calendar year; and (iii) Employee's right to receive such reimbursements or in-kind benefits shall not be subject to liquidation or exchange for another benefit;

- (e) to the extent any payment or delivery otherwise required to be made to Employee hereunder on account of Employee's separation from service is properly treated as a deferral of compensation subject to Section 409A after taking into account all exclusions applicable to such payment and delivery under Section 409A, and if Employee is a "specified employee" under Section 409A at the time of Employee's separation from service, then such payment and delivery shall not be made prior to the first business day after the earlier of (i) the expiration of six months from the date of Employee's separation from service, or (ii) the date of Employee's death (such first business day, the "Delayed Payment Date"), and on the Delayed Payment Date, there shall be paid or delivered to Employee or, if Employee has died, to Employee's estate, in a single payment or delivery (as applicable) all entitlements so delayed, and in the case of cash payments, in a single cash lump sum, an amount equal to aggregate amount of all payments delayed pursuant to the preceding sentence. Except for any tax amounts withheld by the Company from the payments or other consideration hereunder and any employment taxes required to be paid by the Company, Employee shall be responsible for payment of any and all taxes owed in connection with the consideration provided for in this Agreement; and
- (f) the Parties agree that this Agreement may be amended, as may be necessary to fully comply with, or to be exempt from, Section 409A and all related rules and regulations in order to preserve the payments and benefits provided hereunder without additional cost to either Party.

9. Miscellaneous.

9.1 Integration. This Agreement and the Restrictive Covenants Agreement embody the entire agreement and understanding among the Parties relative to subject matter hereof and combined supersede all prior agreements and understandings relating to such subject matter, including but not limited to any earlier offers to Employee by the Company; provided, however, this Agreement and the Restrictive Covenants Agreement are not intended to supersede or

otherwise affect the Equity Incentive Plan or any Award Agreement (as defined in the Equity Incentive Plan), each of which shall remain in effect in accordance with its terms.

9.2 Applicable Law. All matters relating to the interpretation, construction, application, validity and enforcement of this Agreement are governed by the laws of the State of Minnesota without giving effect to any choice or conflict of law provision or rule, whether of the State of Minnesota or any other jurisdiction, that would cause the application of laws of any jurisdiction other than the State of Minnesota.

9.3 Choice of Jurisdiction. Employee and the Company consent to jurisdiction of the courts of the State of Minnesota and/or the federal district courts, District of Minnesota, for the purpose of resolving all issues of law, equity, or fact, arising out of or in connection with this Agreement or Employee's employment with the Company or the termination of such employment. Any action involving claims for interpretation, breach or enforcement of this Agreement or related to Employee's employment with the Company or the termination of such employment shall be brought in such courts. Each party consents to personal jurisdiction over such party in the state and/or federal courts of Minnesota and hereby waives any defense of lack of personal jurisdiction or inconvenient forum.

9.4 Employee's Representations. Employee represents that Employee is not subject to any agreement or obligation that would prevent or limit Employee from entering into this Agreement or that would be breached upon performance of Employee's duties under this Agreement, including but not limited to any duties owed to any former employers not to compete. If Employee possesses any information that Employee knows or should know is considered by any third party, such as a former employer of Employee's, to be confidential, trade secret, or otherwise proprietary, Employee shall not disclose such information to the Company or use such information to benefit the Company in any way.

9.5 Counterparts. This Agreement may be executed in several counterparts and as so executed shall constitute one agreement binding on the Parties.

9.6 Assignment and Successors. The rights and obligations of the Company under this Agreement shall inure to the benefit of and will be binding upon the successors and assigns of the Company. Neither party may, without the written consent of the other party, assign or delegate any of its rights or obligations under this Agreement except that the Company may, without any further consent of Employee, assign or delegate any of its rights or obligations under this Agreement to any corporation or other business entity (a) with which the Company may merge or consolidate, (b) to which the Company may sell or transfer all or substantially all of its assets or capital stock or equity, or (c) any affiliate or subsidiary of the Company. After any such assignment or delegation by the Company, the Company will be discharged from all further liability hereunder and such assignee will thereafter be deemed to be the "Company" for purposes of all terms and conditions of this Agreement, including this Section 9.6. Employee may not assign this Agreement or any rights or obligations hereunder. Any purported or attempted assignment or transfer by Employee of this Agreement or any of Employee's duties, responsibilities, or obligations hereunder is void.

9.7 Modification. This Agreement shall not be modified or amended except by a written instrument signed by the Parties.

9.8 Severability. The invalidity or partial invalidity of any portion of this Agreement shall not invalidate the remainder thereof, and said remainder shall remain in fully force and effect.

9.9 Opportunity to Obtain Advice of Counsel. Employee acknowledges that Employee has been advised by the Company to obtain legal advice prior to executing this Agreement, and that Employee had sufficient opportunity to do so prior to signing this Agreement.

9.10 280G Limitations. In the event that the severance and other benefits provided for in this Agreement or otherwise payable to Employee (a) constitute “parachute payments” within the meaning of Section 280G of the Code and (b) would be subject to the excise tax imposed by Code Section 4999, then such benefits shall be either be: (i) delivered in full, or (ii) delivered as to such lesser extent which would result in no portion of such severance benefits being subject to excise tax under Code Section 4999, whichever of the foregoing amounts, taking into account the applicable federal, state and local income and employment taxes and the excise tax imposed by Code Section 4999, results in the receipt by Employee, on an after-tax basis, of the greatest amount of benefits, notwithstanding that all or some portion of such benefits may be subject to excise tax under Code Section 4999. Any determination required under this Section 9.10 will be made in writing by an accounting firm selected by the Company or such other person or entity to which the parties mutually agree (the “Accountants”), whose determination will be conclusive and binding upon Employee and the Company for all purposes. For purposes of making the calculations required by this Section 9.10, the Accountants may make reasonable assumptions and approximations concerning applicable taxes and may rely on reasonable, good faith interpretations concerning the application of Code Sections 280G and 4999. The Company and the Employee shall furnish to the Accountants such information and documents as the Accountants may reasonably request in order to make a determination under this Section. The Company shall bear all costs the Accountants may reasonably incur in connection with any calculations contemplated by this Section 9.10. Any reduction in payments and/or benefits required by this Section 9.10 shall occur in the following order: (A) cash payments shall be reduced first and in reverse chronological order such that the cash payment owed on the latest date following the occurrence of the event triggering such excise tax will be the first cash payment to be reduced; (B) accelerated vesting of stock awards, if any, shall be cancelled/reduced next and in the reverse order of the date of grant for such stock awards (i.e., the vesting of the most recently granted stock awards will be reduced first), with full-value awards reversed before any stock option or stock appreciation rights are reduced; and (C) deferred compensation amounts subject to Section 409A shall be reduced last.

*[Signature Page Follows]*

**THIS EMPLOYMENT AGREEMENT** was voluntarily and knowingly executed by the Parties effective as of the Effective Date first set forth above.

**VIREO HEALTH, INC.**

Date: 12/31, 2020

/s/ Kyle Kingsley  
By: Kyle Kingsley  
Its: Chief Executive Officer

**EMPLOYEE:**

Date: 12/31, 2020

/s/ Patrick Peters  
Patrick Peters

*[Signature Page to Employment Agreement]*

---

Confidential Information, Intellectual Property Rights, Non-Competition  
and Non-Solicitation Agreement

---

**CONFIDENTIAL INFORMATION, INTELLECTUAL PROPERTY RIGHTS,  
NON-COMPETITION AND NON-SOLICITATION AGREEMENT**

This Confidential Information, Intellectual Property Rights, Non-Competition and Non-Solicitation Agreement (the “Agreement”) is made and entered into by and between Vireo Health, Inc., a Delaware corporation (“Company”) and Patrick Peters (“Employee”), as of December 1, 2020 (the “Effective Date”). Each of Company and Employee hereinafter may be referred to individually as a “Party” or, collectively, as the “Parties.” In consideration of Employee’s employment with Company, the compensation Employee will earn in connection with such employment, Company entering into an Employment Agreement with Employee (the “Employment Agreement”), Company providing Employee with ongoing access to Confidential Information (as defined below), and other good and valuable consideration, the sufficiency and receipt of which Employee acknowledges, Employee agrees as follows:

**1. Confidential Information**

- 1.1 Confidential Information and Trade Secrets Defined. Employee hereby acknowledges and understands the term “Confidential Information” means any data, information, or material of Company or its owners or its Affiliates relating directly or indirectly to Company or its owners or Affiliates: clients and customers or potential clients and customers (collectively “Customer(s)”); competitors; vendors; advertisers; employees; contractors; suppliers; or business partners, that is discovered or developed by, or disclosed to, Employee through Employee’s relationship with Company, that is not generally ascertainable from public information, whether it is expressly identified as “confidential” or “trade secret,” that includes, but is not limited to: financial information; invoices; business plans; business and contract applications; contracts; forms; research; price lists; marketing materials; advertising materials and developments; sales materials and reports; copyrighted materials; Trade Secrets; the particular needs and requirements of Customers; identities of potential Customers; and all accompanying Customer data. Employee hereby acknowledges and understands the term “Trade Secret(s)” includes, but is not limited to, a confidential, proprietary, and/or sensitive: formula; software; methodology; model; architecture; pattern; compilation; program; device; method; technique; or process, that is discovered, developed in whole or part by Employee, or disclosed to Employee, through Employee’s relationship with Company, including any information, data, or material concerning the Business (as defined in Subsection 3.2), and all other information related to Company and its owner and Affiliates businesses, that is not generally known and readily ascertainable by proper means by any other person and/or Employee. This includes, but is not limited to, all inventions or discoveries made by Employee and/or Company (or its owners or Affiliates) resulting in whole or part from Employee’s relationship with Company. The term “Trade Secret(s)” also includes, but is not limited to, Customer lists, invoices and reports containing specifically developed information, such as the name, address, phone number, buying history and other traits of Customers, along with any other information that Company derives a competitive advantage from and that Company makes reasonable efforts to maintain as secret. For purposes of this Agreement, “Affiliates” means an individual, a partnership, a corporation, a limited liability company, an association, a joint stock company, a trust, a joint venture, or an unincorporated organization, that directly, or indirectly through one or more intermediaries, controls, or has been or is controlled by, or
-

is under common control with, Company, including without limitation Vireo Health International, Inc.

- 1.2 Use & Restriction. Employee acknowledges that Employee has had and will continue to have access to and be provided with Confidential Information in connection with performing services for Company. Employee expressly recognizes that the efficacy and profitability of Company and its owners and Affiliates is dependent in part upon Employee's protection of the Confidential Information. Employee may use the Confidential Information solely in connection with performing services for Company and its owners and Affiliates. To ensure the continued confidentiality of the Confidential Information, Employee agrees to hold the Confidential Information in strict confidence. Employee shall not, either during Employee's relationship with Company, or for such period as such information remains Confidential Information after termination, disclose or use for Employee's own benefit or for the benefit of any other individual or third party, directly or indirectly, any of the Confidential Information, except as such disclosure or use is expressly authorized by Company in writing. Employee hereby agrees to adhere to the method and form of protection of Confidential Information required by Company, subject to change at Company's sole discretion. Employee shall not communicate any Confidential Information, even in furtherance of Company's business, to any individual or third party not privy to the Confidential Information, without express consent by Company and the individual or third party's agreement to be bound by confidentiality terms that adequately protect Company's Confidential Information.
  - 1.3 Exceptions. The confidentiality and restriction on the use of Confidential Information under this Agreement shall not apply to Confidential Information to the extent that such Confidential Information: is now, or hereafter becomes, through no breach of this Agreement by Employee, generally known or available to the public; was known to Employee without an obligation to hold it in confidence prior to the time such Confidential Information was disclosed to Employee by Company; is disclosed or used, as applicable, with the prior written consent of Company and in accordance with any limitations or conditions on such disclosure or use that may be imposed in such written consent; or was or is independently developed by Employee without any use of or reference to the Confidential Information. In addition, notwithstanding any other language in this Agreement to the contrary, Employee understands that Employee may not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made (a) in confidence to a federal, state or local government official, either directly or indirectly, or to an attorney if such disclosure is made solely for the purpose of reporting or investigating a suspected violation of law or for pursuing an anti-retaliation lawsuit; or (b) in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal and Employee does not disclose the trade secret except pursuant to a court order.
  - 1.4 Required Disclosure. The confidentiality obligations under this Agreement shall not apply to Confidential Information to the extent that such Confidential Information is required to be disclosed pursuant to the order or requirement of a court, administrative agency, or other authority, or otherwise by operation of applicable law. In the event of such order or requirement, Employee, if and to the extent permitted by law, shall give Company written
-

notice thereof and of the Confidential Information to be disclosed as soon as practicable prior to disclosure of such Confidential Information and shall provide such reasonable assistance as Company may request, at Company's sole expense, in seeking a protective order or other appropriate relief in order to protect the confidentiality of the Confidential Information.

- 1.5 Other Nondisclosure Agreements. In the event that Company is subject to the terms of any confidentiality or nondisclosure agreement relating to some or all of the Confidential Information that imposes greater restrictions on the disclosure and/or use of such Confidential Information, then Employee shall comply with such greater restrictions to the extent that Employee is made aware of them.
- 1.6 Property of Company. Employee specifically acknowledges and understands that all Confidential Information and all of Company's and its owners and its Affiliates strategies and files, including, but not limited to, computer data, reports, materials, records, documents, notes, memoranda, and other items, and any originals or copies thereof, related to the business of Company or its owners or its Affiliates, which Employee either is provided, prepares, uses, or simply acquires during the term of this Agreement, are and shall remain the sole and exclusive property of Company and, to the extent applicable, shall not be removed from Company's premises without the prior consent of Company.
- 1.7 Return or Destroy Confidential Information. Employee agrees, immediately upon the termination of the relationship between Employee and Company for any reason or upon earlier request by Company to make a diligent search for any and all documents, computer discs, electronic files, software, tapes, computer printouts, or any other material constituting Confidential Information described in this Section 1, and shall: cease using the Confidential Information; promptly return to Company or destroy all Confidential Information and any copies thereof; and certify in writing that Employee has complied with the obligations of this Subsection 1.7.
- 1.8 Return of Company Property. Employee agrees, immediately upon the termination of the relationship between Employee and Company for any reason or upon earlier request by Company to promptly deliver to Company all Company property not covered by Subsection 1.7.

## **2. Intellectual Property**

- 2.1 Prior Inventions. Any intellectual property, including, but not limited to, any ideas, inventions, patents, trademarks, service marks, copyrights, creations, know how, work product, and other developments or improvements, if any, patented or unpatented, that Employee, alone or with others, conceived, created, invented, developed, reduced to practice, or caused to be conceived and or caused to be reduced to practice prior to the earlier of (a) commencement of Employee's employment with Company or (b) when Employee first provided services to Company, is listed on Schedule 1 attached hereto ("Prior Inventions").
-



- 2.2 Ownership. Except with respect to Prior Inventions, all right, title, and interest of every kind and nature, whether now known or unknown, in and to any and all intellectual property, including, but not limited to, any ideas, inventions, patents, trademarks, service marks, copyrights, creations, know how, work product, properties and other developments or improvements, patented or unpatented, conceived, created, invented, written, developed, furnished, produced, disclosed, reduced to practice, or caused to be conceived and or caused to be reduced to practice in whole or in part, alone or with others, whether or not during working hours, by Employee during the term of Employee's employment with Company and for six (6) months thereafter, that are within the scope of Company's business operations or that relate to any of Company's work or projects, will, as and between Company and Employee, be and remain the sole and exclusive property of Company for any and all purposes and uses, and Employee hereby agrees to assign and assigns all rights thereto to Company. Intellectual property may be in any form including, but not limited to, written, oral, electronic, digital, or other form.
- 2.3 Work Made for Hire. Any work of Employee for which a copyright could be claimed developed in the course of employment with the Company will be deemed "work made for hire" under federal copyright law and all ownership rights to such work belong exclusively to Company. To the extent any invention does not qualify as a work for hire under applicable law, and to the extent any invention is subject to copyright, patent, trade secret, or other proprietary right protection, Employee hereby assigns, and agrees to assign, all rights therein to Company.
- 2.4 Pre-Existing Work. If, in the course of Employee's relationship with Company, Employee has used or uses, has relied upon or relies upon, has provided or provides, or has incorporated or incorporates any Prior Invention or any other intellectual property Employee owns, or in which Employee has had or has an interest, into any idea, invention, patent, trademark, service mark, copyright, creation, know how, work product, and other development or improvement conceived, created, invented, written, developed, furnished, produced, or disclosed in whole or in part, alone or with others, whether or not during working hours, by Employee during the term of Employee's employment with Company, Employee hereby grants Company, under all of Employee's intellectual property and proprietary rights, the following worldwide, non-exclusive, perpetual, irrevocable, royalty free, fully paid up rights: (a) to make, use, copy, modify, and create derivative works of such intellectual property; (b) to publicly perform or display, import, broadcast, transmit, distribute, license, offer to sell, and sell, rent, lease or lend copies of the intellectual property, and derivative works of the intellectual property; and (c) to sublicense the rights in this Subsection 2.3 to third parties.
- 2.5 Required Undertakings. Employee agrees, both while an employee of Company and thereafter, to assist Company and its owners and Affiliates, at Company's expense, in any and all attempts to obtain patents, copyrights, and/or trademarks or other intellectual property protection on any work Employee participated in developing and agrees to execute all documents necessary to obtain such rights in the name of or to transfer such rights to Company. If, because of Employee's mental or physical incapacity or for any other reason whatsoever, Company is unable to secure Employee's signature to apply for or pursue any patents, copyrights, or other protection for any invention assigned to
-

Company under this Agreement or otherwise, Employee irrevocably designates and appoints Company and its duly authorized officers and agents as Employee's agent and attorney-in-fact to act for Employee and on Employee's behalf and stead to file any applications and to do all other lawfully-permitted acts to further the prosecution and issuance of any patents, copyrights, or other protections with the same legal force and effect as if executed by Employee.

- 2.6 Limited Exclusion. This Section 2 does not apply to any inventions or intellectual property for which no equipment, supplies, facility or Confidential Information of Company was used, and which was developed entirely on Employee's own time, and (a) which does not relate (i) directly or indirectly to the business of Company or (ii) to Company's actual or demonstrably anticipated research or development, or (b) which does not result from any work performed by Employee for Company.

### 3. **Non-competition and Non-solicitation**

- 3.1 No Existing Restrictions. Employee represents and warrants that Employee is not a party to any confidentiality agreement, non-competition agreement, non-solicitation agreement, intellectual property rights agreement, or any other agreement with any former employer or other entity that in any way prohibits or inhibits Employee's ability to (a) be employed by Company; (b) perform services for Company; (c) enter into this Agreement; or (d) comply with Employee's obligations under this Agreement.

- 3.2 Non-competition and Non-solicitation. Employee acknowledges that Company is engaged in the business of the promotion, manufacture, cultivation, marketing or distribution of cannabis (the "Business"). Employee agrees that during the term of Employee's employment with Company and for twelve (12) consecutive months from the date of the termination of such employment (the "Restricted Period"), regardless of the reason for such termination and whether such termination is at the initiative of Employee or Company, Employee will not, directly or indirectly, individually or in connection with other individuals or entities, without the prior written consent of Company:

- (a) Other than on behalf of Company, anywhere within a Market Area (as defined herein) in which Company or any of its Affiliates is then operating or doing business or in which the Company has then or within the prior six (6) months identified an intention of doing business (as confirmed by reasonable written support including, but not limited to, having begun the application or certification process to enable such Company or an Affiliate to do business in such Market Area) (the "Restricted Area"), control, manage, operate, be employed or engaged by, or otherwise participate, assist, or engage in business as, or own an interest in or provide financial or other assistance to, or permit Employee's name to be used in connection with, any individual proprietorship, partnership, corporation, joint venture, trust or any other form of business entity, if such entity is engaged, in whole or in part, in business or operations that compete with or that is the same as or substantially similar to the Business or that compete with or that is the same as or substantially similar to any other business then engaged in by Company or Company's owners or Affiliates, in in the Restricted Area; provided, however, this
-

Section 3.2(a) does not prohibit or restrict Employee from holding a passive investment of not more than one percent (1%) of the outstanding shares of the capital stock of any publicly held corporation. For purposes of this Agreement, "Market Area" shall mean an imaginary circle with a fifty-mile radius centered on a cultivation, manufacturing, or retail facility operated by the Company or its Affiliate, or such smaller area as may be finally determined by a court of competent jurisdiction to be a reasonable area from which to exclude Employee from engaging in a competitive activity;

- (b) Other than on behalf of Company, solicit any person who is then an employee, contractor, or consultant of Company, or Company's owners or Affiliates, or who was an employee, contractor, or consultant of Company, or Company's owners or Affiliates, within the prior six (6) months, to perform services, as an employee, contractor, consultant or otherwise, or take any actions which are intended to persuade any such employee, contractor, or consultant of Company, or Company's owners or Affiliates, to terminate his or her association with Company or Company's owners or Affiliates; or
  - (c) Other than on behalf of Company, solicit any then-current customer, potential customer, affiliate, or strategic partner of, or investor in, Company, for business that is the same as or substantially similar to, or otherwise competes with, the Business or with any other business then engaged in by Company or Company's owners or Affiliates in the Restricted Area, or otherwise interfere with the relationships of Company, or Company's owners or Affiliates, with any then-current customer, potential customer, affiliate, or strategic partner of, or investor in, Company, or Company's owners or Affiliates, or otherwise seek to cause a change in any such relationships.
- 3.3 Notice. Employee agrees that during the Restricted Period Employee will notify Company, in writing, of any opportunities that may involve a competitive activity or opportunity as set forth in Subsection 3.2(a) prior to accepting an offer to perform such services.
- 3.4 Affirmative Disclosure Obligation. Employee agrees that during the Restricted Period Employee will disclose the existence and terms of this Agreement to any prospective third party or other contracting party for whom Employee is considering providing services that constitute a competitive activity as set forth in Subsection 3.2.
- 3.5 Reasonableness. Employee agrees that the covenants contained in this Section 3 are necessary to protect Company's legitimate and protectable business interests and are reasonable with respect to their duration and scope. If, at the time of enforcement of this Section 3, a court holds that any restriction identified herein is unreasonable under the circumstances then existing, Company and Employee agree that such restriction shall be modified by the court such that the maximum period or scope legally permissible under such circumstances will be substituted for the period or scope identified herein.
- 3.6 Tolling. In the event that Employee violates any provision of this Section 3 to which there is a specific time period during which Employee is prohibited from taking certain actions
-

or from engaging in certain activities as set forth herein, a violation of this Section 3 will toll the running of that time period from the date the violation commences until the date of its cessation. The period of time will also be tolled during any time period required for litigation during which Company seeks to enforce this Section 3.

#### **4. Non-disparagement**

Subject to Section 6, Employee agrees that during and after Employee's period of employment with Company Employee will not, publicly or privately, disparage or defame Company or its Affiliates, or any of Company's or its Affiliates' employees, officers, governors, members or agents.

#### **5. Injunctive Relief**

In the event of a breach or threatened breach of any covenant in Sections 1, 2, 3 or 4, Employee agrees that Company will be irreparably harmed, that money damages alone cannot adequately compensate Company, and that Company shall be entitled to temporary and injunctive relief as well as all applicable remedies at law or in equity available to Company against Employee including, but not limited to, reasonable attorneys' fees and costs incurred in bringing any action against Employee or otherwise enforcing the terms of this Agreement. Employee further agrees that in any such action, Company shall be entitled to relief without posting any bond or security.

#### **6. No Unlawful Restriction**

Employee understands and agrees that nothing in this Agreement is intended to or will prevent or interfere with Employee's ability or right to (a) provide truthful testimony if under subpoena to do so, (b) file any charge with or participate in any investigation or proceeding before the U.S. Equal Employment Opportunity Commission or any other federal, state or local governmental agency, (c) engage in any conduct protected under the National Labor Relations Act, or (d) respond to a subpoena, court order or as otherwise provided by law.

#### **7. Miscellaneous**

- 7.1 At Will Employment. Employee's employment with Company is "at will," which means it may be terminated at any time, with or without notice and for any or no reason, at the option of either Employee or Company.
  - 7.2 Assignment. All of the terms and provisions of this Agreement shall be binding upon and inure to the benefit of and be enforceable by the respective heirs, executors, administrators, legal representatives, successors and assigns of the Parties, except that the duties and responsibilities of Employee under this Agreement are of a personal nature and shall not be assignable or delegable in whole or in part by Employee.
  - 7.3 Severability. Subject to Subsection 3.5, if any provision of this Agreement or application thereof to anyone or under any circumstances is adjudicated to be invalid or unenforceable in any jurisdiction, such invalidity or unenforceability shall not affect any other provision or application of this Agreement which can be given effect without the invalid or unenforceable provision or application and shall not invalidate or render unenforceable
-

such provision or application in any other jurisdiction. If any provision is held void, invalid or unenforceable with respect to particular circumstances, it shall nevertheless remain in full force and effect in all other circumstances.

- 7.4 Entire Agreement. This Agreement and the Employment Agreement embody the entire agreement and understanding among the Parties relative to subject matter hereof and combined supersede all prior agreements and understandings relating to such subject matter, including but not limited to any earlier offers to Employee by Company; provided, however, this Agreement and the Employment Agreement are not intended to supersede or otherwise affect the Equity Incentive Plan (as defined in the Employment Agreement) or any Award Agreement (as defined in the Equity Incentive Plan), each of which shall remain in effect in accordance with its terms.
- 7.5 Applicable Law. All matters relating to the interpretation, construction, application, validity and enforcement of this Agreement are governed by the laws of the State of Minnesota without giving effect to any choice or conflict of law provision or rule, whether of the State of Minnesota or any other jurisdiction, that would cause the application of laws of any jurisdiction other than the State of Minnesota.
- 7.6 Choice of Jurisdiction. Employee and Company consent to jurisdiction of the courts of the State of Minnesota and/or the federal district courts, District of Minnesota, for the purpose of resolving all issues of law, equity, or fact, arising out of or in connection with this Agreement. Any action involving claims for interpretation, breach or enforcement of this Agreement shall be brought in such courts. Each party consents to personal jurisdiction over such party in the state and/or federal courts of Minnesota and hereby waives any defense of lack of personal jurisdiction or inconvenient forum.
- 7.7 Attorneys' Fees. In the event of any litigation or other proceeding concerning any controversy, claim or dispute between the parties hereto, arising out of or relating to this Agreement, the breach hereof or the interpretation hereof, the prevailing party will be entitled to recover from the other party reasonable expenses, attorneys' fees, and costs incurred therein or in the enforcement or collection of any judgment or award rendered therein. The "prevailing party" means the party determined by the court to have most nearly prevailed, even if such party did not prevail in all matters, not necessarily the party in whose favor a judgment is rendered. Further, in the event of any breach by Employee under this Agreement, Employee shall pay all the expenses and attorneys' fees incurred by Company in connection with such breach, whether or not any litigation is commenced.
- 7.8 Counterparts. This Agreement may be executed in any number of counterparts (including facsimile counterparts or counterparts delivered by electronic transmission (e.g., .PDF attachment)), each of which shall be an original, but all of which together shall constitute one instrument.

\* \* \* \* \*

*[signature page follows]*

---

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

Vireo Health, Inc.

By: \_\_\_\_\_

Name: Kyle Kingsley

Title: Chief Executive Officer

EMPLOYEE

/s/ Patrick Peters \_\_\_\_\_

Patrick Peters

---

**SCHEDULE 1**  
**PRIOR INVENTIONS**

TO: Vireo Health, Inc.  
FROM: \_\_\_\_\_  
DATE: \_\_\_\_\_  
SUBJECT: PRIOR INVENTIONS

1. Except as listed in Section 2 below, the following is a complete and accurate list of all intellectual property, including, but not limited to, any ideas, inventions, patents, trademarks, service marks, copyrights, creations, know how, work product, and other developments or improvements, if any, patented or unpatented, which I, alone or with others, conceived, created, invented, developed, reduced to practice, or caused to be conceived and or caused to be reduced to practice prior to the commencement of my employment or other relationship with Vireo Health, Inc.:

\_\_\_\_\_ I have no Prior Inventions to disclose

\_\_\_\_\_ Please see below:

---

---

---

---

\_\_\_\_\_ Additional Sheets Attached

2. Due to a prior confidentiality agreement, I cannot complete the disclosure under Section 1 above with respect to Prior Inventions generally listed below, the proprietary rights and duty of confidentiality with respect to which I owe to the following Party (ies):

	Prior Invention	Party(ies)	Relationship
1.	_____	_____	_____
2.	_____	_____	_____
3.	_____	_____	_____

\_\_\_\_\_ Additional Sheets Attached

---

**AMENDMENT TO EMPLOYMENT AGREEMENT**

This Amendment to Employment Agreement (“Amendment”) is made effective as of February 2, 2022 (“Effective Date”) by and among **Goodness Growth Holdings, Inc.**, a British Columbia corporation (“Parent”), **Vireo Health, Inc.**, a Delaware corporation (the “Employer”) and **Patrick Peters**, an individual residing in the State/Commonwealth of New Jersey (“Employee”) (collectively “Parties” or individually “Party”).

**RECITALS**

**WHEREAS**, the Employer and Employee entered into an Employment Agreement (the “Original Agreement”) dated December 1, 2020;

**WHEREAS**, the board of directors of Parent is exploring the potential sale or other disposition of Parent (a “CIC Transaction”) that, if approved by Parent’s shareholders and effected, would amount to a Change in Control as defined in the Original Agreement;

**WHEREAS**, Employer wishes to retain the services of Employee through the date of closing of a CIC Transaction (the “CIC Closing Date”) to ensure continuity in the operations of Employer and its subsidiary and affiliated companies; and

**WHEREAS**, the Parties wish to amend the Original Agreement as set forth in this Amendment.

**NOW, THEREFORE**, in consideration of the mutual covenants and conditions contained herein, the receipt and sufficiency of which are hereby acknowledged, Parent, Employer and Employee, intending legally to be bound, hereby agree as follows:

**AGREEMENT**

1. **Retention Bonus.** Employee will receive a retention bonus (the “Retention Bonus”) in an amount equal to fifty percent (50%) of Employee’s annual base salary (“Base Salary”) on the CIC Closing Date, subject to the conditions and on the terms described in this Amendment. If Employer terminates Employee’s employment without Cause prior to the CIC Closing Date, Base Salary will be defined as Employee’s annual base salary immediately prior to the date of termination of employment. If Employee voluntarily terminates employment with Good Reason prior to the CIC Closing Date, Base Salary will be defined as Employee’s annual base salary immediately prior to the occurrence of the initial event that would give rise to Good Reason. Employer will pay the Retention Bonus to Employee only if Employee’s employment is not terminated by the Employer for Cause or by Employee without Good Reason. The Retention Bonus will be paid within thirty (30) days after the date of the CIC Closing Date and will be subject to required withholdings and deductions.

2. **Options and Restricted Stock Units.** The provisions of this paragraph 2 apply if Employee has been granted any stock options (“Options”) or restricted stock units (“RSUs”) under

---



the Vireo Health, Inc. 2018 Equity Incentive Plan (the “2018 Plan”), the Vireo Health International, Inc. 2019 Equity Incentive Plan (the “2019 Plan”), or both, which Options and/or RSUs have not vested as of the CIC Closing Date.

(a) Accelerated Vesting. All unvested Options and RSUs held by Employee will vest immediately prior to the CIC Closing Date, provided that Employee’s employment shall not have been terminated by Employer for Cause or by Employee without Good Reason on or prior to such date.

(b) Time to Exercise. Consistent with and confirming a resolution of Parent’s board of directors that was unanimously approved on August 10, 2021, and notwithstanding the provisions of the 2018 Plan, the 2019 Plan, or the incentive option agreement or other instrument by which Employer or Parent granted Options to Employee (“Grant Agreement”), provided that Employee’s employment shall not have been terminated for Cause, Employee shall be entitled to exercise, by completing all steps listed in the respective Grant Agreement, any vested, unexercised Option or Options, through the day that is the earlier of (i) the day that is two (2) years after the last date of employment of Employee by Employer or any parent, subsidiary or affiliated company of Employer and (ii) the expiration date applicable to such Option.

(c) The provisions of this Section 2 shall survive the expiration or earlier termination of the Original Agreement and/or this Amendment.

3. Termination. If the Employer terminates Employee’s employment for Cause or Employee voluntarily terminates Employee’s employment without Good Reason, in each case prior to the CIC Closing Date, Employee shall forfeit any right or claim to the Retention Bonus or any portion thereof.

4. General. All capitalized terms used but not defined in this Amendment shall have the meanings ascribed in the Original Agreement. All provisions of the Original Agreement not expressly modified by this Amendment are hereby ratified and confirmed.

**THIS AMENDMENT TO EMPLOYMENT AGREEMENT** was voluntarily and knowingly executed by the Parties effective as of the Effective Date first set forth above.

**VIREO HEALTH, INC.**

Date: February 2, 2022

/s/ Kyle Kingsley

By: Kyle Kingsley  
Its: CEO

**EMPLOYEE:**

Date: February 2, 2022

/s/ Patrick Peters

Patrick Peters

---

**GOODNESS GROWTH HOLDINGS, INC.**

Date: February 2, 2022

/s/ Kyle Kingsley

By: Kyle Kingsley

Its: CEO

---

**SECOND AMENDMENT TO EMPLOYMENT AGREEMENT**

This Second Amendment to Employment Agreement (“*Second Amendment*”) is made effective as of February 2, 2022 (“*Effective Date*”) by and among **Goodness Growth Holdings, Inc.**, a British Columbia corporation (“*Parent*”), **Vireo Health, Inc.**, a Delaware corporation (the “*Employer*”) and **John Heller**, an individual residing in the State of Minnesota (“*Employee*”) (collectively “*Parties*” or individually “*Party*”).

**RECITALS**

**WHEREAS**, the Employer and Employee entered into an Employment Agreement dated December 1, 2020 and a First Amendment to Employment Agreement dated February 2, 2022 (collectively, the “*Current Agreement*”); and

**WHEREAS**, at its meeting on July 14, 2022, Parent Company authorized and directed Employer to grant compensation to Employee, consisting of Parent company stock options and restricted stock units (“*Restricted Stock Units*”), in order to incent Employee to continue his employment with Employer; and

**WHEREAS**, the Parties wish to amend the Current Agreement as set forth in this Amendment.

**NOW, THEREFORE**, in consideration of the mutual covenants and conditions contained herein, the receipt and sufficiency of which are hereby acknowledged, Parent, Employer and Employee, intending legally to be bound, hereby agree as follows:

**AGREEMENT**1. Equity Grants.

- a. *Stock Options.* The Employer shall cause the Parent Company to grant to Employee the right (the “*Option*”) to purchase 247,141 subordinate voting shares of the Parent Company’s capital stock (“*Shares*”) at an exercise price equal to the volume weighted-average closing price of like shares on the Canadian Securities Exchange for the two trading days immediately preceding the Grant Date. The Option shall have a ten-year term. One-fourth (1/4) of the Option will vest on December 31, 2023. 6.25% of the Option will vest on March 31, 2024, and on the last day of each calendar quarter thereafter, until the Option is fully vested, on December 31, 2026. The foregoing description of some of the principal terms of the Option is not binding on the Employer or Parent Company. The terms and conditions of the Option shall be as set forth in the applicable grant agreement.
  - b. *Restricted Stock Units.* The Employer shall cause the Parent Company to grant to Employee 205,777 Restricted Stock Units (the “*RSU Award*”), each
-

of which represents the right to receive one subordinate voting share (“**Share**”) of the Parent Company’s capital stock (or a cash payment equal to the Fair Market Value of one Share) upon settlement of the RSU Award. The Award will vest in three equal installments, on the first three anniversaries of the date of grant, provided that Employee is an employee, director or independent contractor of the Employer or its affiliate on the applicable vesting date. The vested portion of the RSU Award will settle on the earliest to occur of: (i) the third anniversary of the grant date; (ii) the death or permanent disability (as defined in 409A) of the Employee; (iii) the date of a change in control of the Parent Company or the Employer; or (iv) eighteen (18) months after Employee’s separation from service (as defined in 409A) by the Company without Cause or by Employee for Good Reason. The foregoing description of some of the principal terms of the RSU Award is not binding on the Employer or Parent Company. The terms and conditions of the RSU Award shall be as set forth in the applicable grant agreement.

2. **General.** All capitalized terms used but not defined in this Second Amendment shall have the meanings ascribed in the Current Agreement. All provisions of the Current Agreement not expressly modified by this Second Amendment are hereby ratified and confirmed.

**THIS SECOND AMENDMENT TO EMPLOYMENT AGREEMENT** was voluntarily and knowingly executed by the Parties effective as of the Effective Date first set forth above.

**VIREO HEALTH, INC.**

Date: December 14, 2022

/s/ Kyle Kingsley  
By: Kyle Kingsley  
Its: CEO

---

**EMPLOYEE:**

Date: December 14, 2022

/s/ Patrick Peters  
Patrick Peters

---

**GOODNESS GROWTH HOLDINGS, INC.**

Date: December 14, 2022

/s/ Kyle Kingsley  
By: Kyle Kingsley  
Its: CEO

---

---

**CERTIFICATION PURSUANT TO  
RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,  
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Joshua Rosen, certify that:

1. I have reviewed this Amended Annual Report on Form 10-K/A of Goodness Growth Holdings, Inc.; and
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report.

Date: April 29, 2024

By: /s/ Joshua Rosen

Joshua Rosen  
Interim Chief Executive Officer

---

