



LOAN AGREEMENT

LENDER:	BORROWER:	BORROWER:	LOAN NUMBER:
<p style="text-align: center;">Wright-Patt Credit Union, Inc. an Ohio not-for-profit Corporation 3560 Pentagon Blvd. Beavercreek, OH 45431</p>	<p style="text-align: center;">Vapen Ohio, LLC an Ohio limited liability company 4152 North 39th Avenue Phoenix, Arizona 85019</p> <p style="text-align: center;">New Gen Ohio LLC an Ohio limited liability company 4152 North 39th Avenue Phoenix, Arizona 85019</p> <p style="text-align: center;">Appalachian Pharm Products LLC an Ohio limited liability company 4152 North 39th Avenue Phoenix, Arizona 85019</p>	<p style="text-align: center;">Appalachian Pharm Processing LLC an Ohio limited liability company 16064 Beaver Pike, P.O. Box 72 Jackson, Ohio 45650</p> <p style="text-align: center;">888 Prime LLC an Ohio limited liability company 16064 Beaver Pike, P.O. Box 72 Jackson, Ohio 45650</p> <p style="text-align: center;">New Gen Eloy, LLC an Arizona limited liability company 4152 North 39th Avenue Phoenix, Arizona 85019</p> <p style="text-align: center;">New Gen PHX, LLC an Arizona limited liability company 4152 North 39th Avenue Phoenix, Arizona 85019</p>	<p>10704131</p>

This LOAN AGREEMENT (this "Agreement") is made as of December 16, 2022 (the "Date of Agreement"), by and between **Borrower** and **Wright-Patt Credit Union, Inc.**, an Ohio not-for-profit corporation (the "Lender").

1. Background. It is the desire of the Borrower to obtain from Lender a loan and other financial accommodations for Borrower's business purposes.

2. Loan and Term.

2.1. Loan and Note. Subject to the terms and conditions hereof and in reliance upon the representations and warranties of Borrower herein, Lender agrees to make a Loan to Borrower in the principal amount of \$10,000,000.00 ("Borrowing"), subject to the terms and conditions set forth in this Agreement. Contemporaneously with the execution of this Agreement, the Borrower shall duly execute, issue, and deliver to Lender a Term Note of even date herewith (the "Note"), payable to the order of Lender, in order memorialize the terms and conditions under which Borrower will repay the Borrowing to Lender.

2.2. Loan Term. The entire outstanding principal balance of the Note, together with all accrued interest, shall become due and payable as provided for in the Note.

2.3. Loan Fees. Borrower shall pay to Lender a nonrefundable loan origination fee in the amount of [Redacted: Confidential Information]. The loan fees shall compensate Lender for the cost of originating the loan transaction and be fully earned upon closing. The loan fees shall not be used to pay Lender's costs described in Section 2.4.

2.4. Costs. Borrower shall pay Lender's documented costs and expenses (including, without limitation, reasonable Attorneys' Fees, court costs, litigation and other expense) incurred or paid by Lender in documenting, processing and closing the Loan, establishing, maintaining, protecting or enforcing any of Lender's rights or Borrower's obligations (including, without limitation, UCC searches and UCC filing fees), defending or enforcing Lender's security interest in or title or rights to the Collateral, filing any of the Loan Documents and financing, continuation or termination statements with respect to any Collateral, and in connection with field examinations or verification by Lender of any of the Collateral or Borrower (including, without limitation, amounts paid to third party auditors conducting the field

examination or verification). For the avoidance of doubt, Lender acknowledges and agrees that: (a) Borrower has already deposited \$10,000.00 with Lender towards Lender's costs in documenting, processing, and closing the Loan contemplated herein; and (b) Lender shall apply the said \$10,000.00 deposit towards Borrower's cost contribution requirements under this Section 2.4. Borrower will be exclusively responsible for any additional future reasonable and documented Loan review, closing, and administration costs of Lender (*i.e.*, additional title and recording costs) associated with any amendments to the Loan or any Loan Documents.

2.5. Maximum Interest. In no event shall the interest rate and other charges hereunder exceed the highest rate permissible under any law which a court of competent jurisdiction shall, in a final determination, deem applicable hereto. In the event a court determines that Lender has received interest and other charges hereunder in excess of the highest rate applicable hereto, such excess shall be deemed received on account of, and shall automatically be applied to reduce, the Loan, other than interest, in the inverse order of maturity, and the provisions hereof shall be deemed amended to provide for the highest permissible rate. If there are no amounts outstanding under the Note, Lender shall refund to Borrower such excess.

3. Disbursement of Borrowing.

3.1. Conditions to Disbursements. Upon execution and delivery of this Agreement and the Loan Documents, Lender may disburse the Borrowing to pay the loan fees referred to herein and the Lender's costs and expenses and the professional fees of Lender's attorneys and other professionals. The obligation of the Lender to disburse any other Borrowings shall be subject to the satisfaction of the following conditions in each case, in form and substance satisfactory to Lender:

- (a) That Lender has received all of the items set forth in Section 3.2 hereof.
- (b) That the representations and warranties made in this Agreement shall be true and correct as and on the date of each disbursement with the same effect as if made on such date.
- (c) That Borrower is in compliance with all terms of the Loan Documents (including, but not limited to, all covenants set forth in this Agreement) and there shall be no Defaults or Events of Default under this Agreement or the Loan Documents at the time of any disbursement request.
- (d) That all loan fees and costs and expenses are paid as due pursuant to the terms of this Agreement.

3.2. Required Items. The items to be delivered to Lender by Borrower as required by Section 3.1(a) shall include but not be limited to:

- (a) The Loan Documents required by Lender.
- (b) Borrower's Organizational Documents.
- (c) The original signed Note.
- (d) Certificates of insurance evidencing all insurance required by the Loan Documents in form and substance to comply with the provisions of the Loan Documents.
- (e) Such opinions, certificates and documents as Lender shall reasonably request.

3.3 Use of Borrowings. Borrower shall use the Borrowing only for business purposes, and for the purpose of closing this Loan, paying the Lender's costs and expenses, the loan fees, and other professional fees.

4. Representations and Warranties. Borrower hereby warrants and represents to the Lender for the purpose of inducing Lender to make the Loan the following:

4.1. Organization and Qualification. To the extent applicable, Borrower is duly organized, validly existing and in good standing under the laws of its jurisdiction of incorporation, organization or formation, has the power and authority to carry on its business and to enter into and perform all documents relating to this loan transaction, and is qualified and licensed to do business in each jurisdiction in which such qualification or licensing is required. All information provided to Lender with respect to Borrower and its operations is true and correct.

4.2. Due Authorization. The execution, delivery and performance by Borrower of the Loan Documents have been duly authorized by all necessary action and shall not: (a) contravene any Law binding on Borrower or its Organizational Documents, (b) violate any agreement or instrument by which Borrower is bound, or (c) result in the creation of a Lien on any assets of Borrower except the Lien granted to Lender herein. Borrower has duly executed and delivered the Loan Documents to Lender. The Loan Documents are valid and binding obligations of Borrower enforceable according to their terms, except as limited by equitable principles and bankruptcy, insolvency or similar laws affecting the rights of creditors generally. No notice to, or consent by, any governmental body is needed in connection with this transaction. [Redacted: Commercially Sensitive Information].

4.3. Litigation and Compliance. Other than litigation, claims, or other events, if any, that have been disclosed to and acknowledged by Lender in writing, there are no suits or proceedings pending or threatened against or affecting Borrower (including, but not limited to, proceedings before any governmental body) which could result in a material adverse change in its business, assets, operations, or condition (financial or otherwise). Borrower is in material compliance with all Laws applicable to or imposed upon Borrower or its business. Borrower is in compliance with all material agreements applicable to it and there does not now exist any default or violation by Borrower of or under any of the terms, conditions or obligations of (a) its Organizational Documents, or (b) any indenture, mortgage, deed of trust, franchise, permit, contract, agreement or other instrument to which Borrower is a party or by which it is bound; however, Lender acknowledges and agrees that, notwithstanding the foregoing, until a final non-appealable judgment or an admission by Borrower, Borrower shall not be in breach of these covenants if: (X) there is a bonafide dispute regarding the nature or existence of the alleged default or violation based the opinion of Borrower's counsel, (Y) such default or violation is curable and Borrower has undertaken good faith efforts to cure or obtain a written waiver of the default or violation; and (Z) Borrower has promptly disclosed the nature and existence of either (X) or (Y) to Lender.

4.4. Business. Borrower is not a party or subject to any agreement that contains a restriction that may have a material adverse effect on Borrower's business, properties or prospects. Borrower has all License Rights necessary for the ownership of its properties and to advantageously conduct its business as presently conducted without conflict with the rights of others. The License Rights all are in full force and effect and not in known conflict with the rights of others. Borrower has no Subsidiaries and is not a party to any partnership agreement or joint venture agreement. Notwithstanding the foregoing, Lender acknowledges and agrees that Borrower intends to seek certain regulatory and governmental approvals related to the transfer of membership interests in and to Appalachian Pharm Processing, LLC, and Appalachian Pharm Products, LLC, in accordance with the terms of the APP Transaction, and that following such transfer and restructuring, one or more of the Borrower entities may become Subsidiaries of one or more of the Borrower entities, or one or more of the Borrower entities may acquire one or more Subsidiaries in relation to such transaction. Pursuant to such acknowledgement, Lender further acknowledges and agrees that each Borrower may, with at least ten (10) days prior notice to Lender, engage in such internal restructuring or reorganization in accordance with the terms of the APP Transaction without the need of seeking any further approval by Lender.

4.5. Financial Condition. All Financial Statements and information relating to Borrower presently or hereafter delivered by Borrower to Lender are materially true and correct. Borrower has no material obligations or liabilities of any kind not disclosed in that financial information. Since its most recent submission of financial information to Lender: (a) there has been no material adverse change in Borrower's financial condition, and (b) Borrower has not suffered any damage, destruction or loss in excess of \$100,000.00 per incidence which has materially adversely affected Borrower's business or assets. Borrower is Solvent and upon consummation of this transactions will be Solvent. Borrower has good and marketable title to the assets reflected on the most recent balance sheet submitted to Lender, free and clear from all Liens and encumbrances of any kind, except for Permitted Liens.

4.6. Regulatory Matters. No part of the Borrowing shall be used to purchase or carry, or to reduce or retire or refinance any credit incurred to purchase or carry, any margin stock (within the meaning of Regulations U and X of the Board of Governors of the Federal Reserve System) or to extend credit to others for the purpose of purchasing or carrying any margin stock. If requested by Lender, Borrower shall furnish to Lender statements in conformity with the requirements of Federal Reserve Form U-1. Borrower and all individuals or entities that, along with Borrower, would be treated as a single employer under ERISA or the Internal Revenue Code of 1986, as amended (an "ERISA Affiliate"), are in compliance with all of their obligations to contribute to any "employee benefit plan " as that term is defined in Section 3(3) of ERISA. Borrower and each of its ERISA Affiliates are in full compliance with ERISA, and there exists no event described in Section 4043(b) thereof ("Reportable Event").

5. Covenants.

5.1. Affirmative Covenants. Borrower agrees that from the date of execution of this Agreement until the Obligations have been fully paid it will:

(a) Books and Access. Maintain proper books of account and other records and enter therein complete and accurate entries and records of all its transactions in accordance with Borrower's standard accounting practices, which is currently in conformance with International Financial Reporting Standards ("IFRS"), and give representatives of Lender access thereto at all reasonable times, including permission to examine, copy and make abstracts from any of such books and records and such other information which might be helpful to Lender in evaluating the status of its Loans as it may from time to time reasonably request and Borrower will make available to Lender for examination copies of any reports, statements or returns which Borrower may make to or file with any governmental department, bureau or agency, federal or state. Upon at least three (3) business days' notice, Borrower shall give Lender reasonable access to the Collateral and the other property securing the Obligations for the purpose of reasonably performing examinations thereof and to verify its condition or existence; provided, however, that Lender shall: (i) conduct such inspections during Borrower's regular business hours with minimal interruptions to Borrower's business operations; (ii) in compliance with regulatory and other legal requirements applicable to the Collateral and Borrower's policies and procedures concerning such requirements; and (iii) request no more than one (1) such inspection every four (4) months during the life of the Loan absent an Event of Default by Borrower.

(b) Borrower's Tax Returns. Furnish Lender with a copy of the Borrower's complete filed Federal tax returns, including all schedules, no later than 30 calendar days after filing with the Internal Revenue Service for the prior fiscal year. If such tax returns are not filed within 120 days of the end of the fiscal year, a copy of the filed extension to file and an income statement must be furnished to Lender within this 120-day period and the tax return shall still be furnished to Lender within 30 days of filing with the Internal Revenue Service.

(c) Borrower's Financial Statements. Furnish Lender within 120 days after the end of each fiscal year a copy of the Financial Statements for Borrower for such fiscal year, and such Financial Statements shall be prepared in accordance with Borrower's standard accounting practices, which is currently in conformance with International Financial Reporting Standards ("IFRS"), all in a form reasonably acceptable to Lender.

(d) Schedule of Debt. Furnish Lender within 120 days after the end of each fiscal year a copy of a Schedule of Debt, in a form acceptable to Lender, for Borrower and each Guarantor, which will include (i) the amount of each item of indebtedness owed by the Borrower or applicable Guarantor, (ii) the maturity date of each item of indebtedness owed by the Borrower or applicable Guarantor, (iii) the interest rate with respect to each item of indebtedness owed by the Borrower or applicable Guarantor, (iv) the payment amount, if any, and the frequency of such payment, along with due date information, for each item of indebtedness owed by the Borrower or applicable Guarantor, (v) the name and address of each payee with respect to each item of indebtedness owed by the Borrower or applicable Guarantor, and (vi) any other information requested by Lender.

(e) Additional Financial Information. At Lender's request, Borrower will furnish Lender within ten (10) days any additional financial information reasonably requested by Lender, in a form acceptable to Lender, which may include, without limitation, Financial Statements, debt information/schedules, credit information, rent roll and financial information with respect to the Collateral, and any other financial information pertaining to Borrower, Guarantor and their respective Affiliates reasonably requested by Lender from time to time.

(f) Pay Indebtedness. Pay and discharge when due all indebtedness and all taxes, assessments, charges, levies and other liabilities imposed upon Borrower, its income, profits, property or business, except those which currently are being contested in good faith by appropriate proceedings and for which Borrower will have set aside adequate reserves or made other adequate provision with respect thereto but any such disputed item will be paid forthwith upon the commencement of any proceeding for the foreclosure of any lien which may have attached with respect thereto, unless Borrower will have received an opinion from its legal counsel that such proceeding is without merit.

(g) Operations. Continue in operation in substantially the same manner as at present, except where such operation is rendered impossible by a fire, strike or other events beyond its control; maintain and keep in full force and effect its existence as a business entity and all License Rights necessary to enable it to continue its business; refrain from entering into any lines of business substantially different from the business activities in which Borrower is presently engaged; keep their properties and all Collateral in good operating condition and repair and make all necessary and proper repairs, renewals, replacements, additions and improvements thereto; use the proceeds of the Loan only for the purposes specified in Section 3; and comply with all Laws applicable to it and the operation of its business (and immediately notify Lender of any violation of Laws relating to the public health or the environment and of any complaint or notifications received by Borrower relating to the same).

(h) Insurance. Keep its insurable personal property insured with responsible insurance companies against loss or damage by fire, windstorm and other hazards which are commonly insured against in an extended coverage endorsement in an amount equal to not less than 100% of the insurable value thereof on a

replacement cost basis and also maintain public liability insurance in a reasonable amount. Schedules of all insurance of Borrower will be submitted to Lender within seven (7) days upon request. Borrower will supplement such schedules from time to time promptly to reflect any change in insurance coverage. In the event of a conflict between the provisions of this Section and the terms of any Security Documents relating to insurance, the provisions in the Security Documents will control.

(i) Knowledge of Defaults. Within three (3) days of its knowledge thereof, give written notice to Lender of: (i) the occurrence of any event or the existence of any condition which would be an Event of Default, and (ii) the occurrence of any event or the existence of any condition which would prohibit or limit the ability of Borrower to reaffirm any of the representations or warranties, or to perform any of the covenants, set forth herein.

(j) Fees and Costs. Reimburse Lender for any and all reasonable and documented fees, costs and expenses incurred by Lender thereto including, without limitation, reasonable Attorneys' Fees, other professionals' fees, appraisal fees, environmental assessment fees (including Phase I and Phase II assessments), field exam audits, expert fees, court costs, litigation and other expenses (collectively, the "Costs") incurred or paid by Lender or any of its officers, employees or agents in connection with: (i) the preparation, negotiation, procurement, review, administration or enforcement of the Loan Documents or any instrument, agreement, document, policy, consent, waiver, subordination, release of lien, termination statement, satisfaction of mortgage, financing statement or other lien search, recording or filing related thereto (or any amendment, modification or extension to, or any replacement or substitution for, any of the foregoing), whether or not any particular portion of the transactions contemplated during such negotiations is ultimately consummated, (ii) the defense, preservation and protection of Lender's rights and remedies thereunder, including without limitation, its security interest in the Collateral or any other property pledged to secure the Loans, whether incurred in bankruptcy, insolvency, foreclosure or other litigation or proceedings or otherwise, and (iii) remedying Borrower's failure to pay any tax, assessment, governmental charge or levy, maintain insurance as and when required by the Loan Documents, discharge any prohibited Lien, or comply with any other Obligation (Lender being permitted, but not obligated, to remedy such failures on Borrower's behalf). The Costs shall be due and payable upon demand by Lender. If Borrower fails to pay the Costs upon such demand, Lender is entitled to disburse such sums as Obligations. Thereafter, the Costs shall bear interest from the date incurred or disbursed at the highest rate set forth in the Note. This provision shall survive the termination of this Agreement and/or the repayment of any amounts due or the performance of any Obligation. For the avoidance of doubt, the Costs identified in this section are separate and apart from Lender's reasonable costs in in documenting, processing and closing the Loan as outlined in Section 2.4.

(k) Further Assurances. Execute, acknowledge and deliver, or cause to be executed, acknowledged or delivered, any and all such further assurances and other agreements or instruments, and take or cause to be taken all such other action, as shall be reasonably necessary from time to time to give full effect to the Loan Documents and the transactions contemplated thereby.

(l) [Reserved].

(m) Banking Services. So long as any Obligations remain outstanding, Vapen, Ohio, LLC, New Gen Ohio LLC, Appalachian Pharm Products LLC, and Appalachian Pharm Processing LLC will maintain their primary bank account with Lender and will grant Lender the first right of refusal to provide any additional banking services required by them.

(n) Leasehold Mortgage and Fee Simple Mortgage Issues.

(i) It is acknowledged and agreed that the real property described on the attached Exhibit A (the "Beaver Pike Real Property") is owned by Foremost RE, LLC, an Ohio limited liability company ("Foremost RE") on the date hereof.

(ii) It is further acknowledged and agreed that Foremost RE has leased a portion of the Beaver Pike Real Property to 888 Prime LLC, an Ohio limited liability company ("888 Prime") pursuant to (1) that certain lease agreement dated March 23, 2020 (the "Original 888 Prime Lease"), as amended by (2) that certain Notice of Errata and Acknowledgment dated November 21, 2022 by and between Foremost RE and 888 Prime (the "888 Prime Lease Notice of Errata"). For purposes of this Agreement, the Original 888 Prime Lease, together with the 888 Prime Lease Notice of Errata, are referred to herein collectively as the "888 Prime Lease." The portion of the Beaver Pike Real Property leased by Foremost RE to 888 Prime under the 888 Prime Lease is identified in Section 1.2 of the Original 888 Prime Lease as the "premises" and is identified on Exhibit A attached to the Original 888 Prime Lease as the "site plan." The "premises" and "site plan" leased by Foremost RE to 888 Prime pursuant to the 888 Prime Lease is referred to herein as the "888 Premises."

(iii) It is further acknowledged and agreed 888 Prime has subleased the 888 Premises to Appalachian Pharm Processing LLC, an Ohio limited liability company ("App Pharm"), pursuant to that certain (1) real estate sublease agreement dated March 23, 2020 (the "Original 888 Sublease"), as amended by (2) that certain Notice of Errata and Acknowledgment, dated December 06, 2022, by and between 888 Prime and App Pharm (the "888 Sublease Notice of Errata"). For purposes of this Agreement, the Original 888 Sublease, together with the 888 Sublease Notice of Errata, are referred to herein collectively as the "888 Sublease."

(iv) It is further acknowledged and agreed that 888 Prime and App Pharm are executing an open-end leasehold mortgage and security agreement of even date herewith in favor of Lender (the "888 Prime/App Pharm Leasehold Mortgage"), under which 888 Prime and App Pharm are granting, bargaining, selling, releasing, conveying, assigning, transferring, and granting a security interest in and mortgage in favor of Lender in and to all of their respective Leasehold Mortgagor's Interests with respect to the Beaver Pike Real Property as partial security for the payment and performance of all Obligations of Borrower under the Loan Documents.

(v) It is further acknowledged and agreed that Foremost RE has leased a portion of the Beaver Pike Real Property to New Gen Ohio LLC, an Ohio limited liability company ("New Gen") pursuant to that certain lease agreement dated October 27, 2020 (the "New Gen Lease"). The portion of the Beaver Pike Real Property leased by Foremost RE to New Gen under the New Gen Lease is identified in Section 1.2 of the New Gen Lease as the "premises" and is identified on Exhibit A attached to the New Gen Lease as the "site plan." The "premises" and "site plan" leased by Foremost RE to New Gen pursuant to the New Gen Lease is referred to herein as the "New Gen Premises."

(vi) It is further acknowledged and agreed that New Gen is executing an open-end leasehold mortgage and security agreement of even date herewith in favor of Lender (the "New Gen Leasehold Mortgage"), under which New Gen is granting, bargaining, selling, releasing, conveying, assigning, transferring, and granting a security interest in and mortgage in favor of Lender in and to all of its Leasehold Mortgagor's Interest with respect to the Beaver Pike Real Property as partial security for the payment and performance of all Obligations of Borrower under the Loan Documents.

(vii) For purposes of this Agreement, the 888 Prime/App Pharm Leasehold Mortgage and the New Gen Leasehold Mortgage shall be referred to individually as a "Leasehold Mortgage" and collectively as the "Leasehold Mortgages."

(viii) It is further acknowledged that Foremost RE and New Gen have executed that certain Option Agreement dated October 28, 2022 (the "Option Agreement"), under which Foremost RE has granted to New Gen the right to purchase the Beaver Pike Real Property, under the terms and conditions outlined in the Option Agreement.

(ix) As a condition of the closing of the sale of the Beaver Pike Real Property by Foremost RE to New Gen under the Option Agreement:

(1) New Gen shall execute an open-end fee simple mortgage and security agreement favor of Lender, as mortgagee, on a form reasonably acceptable to Lender (the "Fee Simple Mortgage"), under which New Gen shall grant a fee simple mortgage lien in and to the Beaver Pike Real Property and shall deliver the same to Lender contemporaneously with the closing for recording by Lender. Additionally, New Gen shall execute an assignments of rents and leases, on a form reasonably acceptable to Lender, under which New Gen shall assign in favor of Lender all leases and rents associated therewith with respect to the Beaver Pike Real Property and shall deliver the same to Lender contemporaneously with the closing for recording by Lender;

(2) Lender shall have received evidence, acceptable in form and substance, that Foremost RE has assigned to New Gen all right, title and interest of the landlord in, to, and under any leaseholds at the Beaver Pike Real Property (other than the 888 Prime Lease and New Gen Lease) that are valid and in existence at the time New Gen exercises its purchase rights under the Option Agreement, with such tenants and subtenants, as applicable, consenting to such assignment;

(3) Lender shall have received evidence, acceptable in form and substance, that the 888 Prime Lease, 888 Sublease, and the New Gen Lease have been fully and finally terminated;

(3) Lender, New Gen, and 888 Prime shall terminate the Leasehold Mortgages and shall record the termination, following Lender acknowledges and agrees that 888 Prime will automatically be released as a party and Borrower to the Loan Documents without any further action by any party, and that, unless otherwise expressly stated herein to survive the termination of the 888 Prime/App Pharm Leasehold

Mortgage, 888 Prime shall owe no further duties or obligations to Lender or any secured party under any of the Loan Documents;

(4) (5) New Gen shall obtain and pay for a fee-simple mortgage lender's title insurance policy with respect to the Fee Simple Mortgage, issued by Mission Title, LLC, or such other title insurance agency approved by Lender, including such endorsements as Lender shall require from time-to-time (e.g., mortgage comprehensive endorsement, variable rate endorsement, access endorsement, contiguity endorsement, last dollar endorsement, mechanic's lien coverage, etc.). The coverage limit under the title insurance policy with respect to the Fee Simple Mortgage shall be no less than the face value of the Note, as may be amended or superseded; and

(6) New Gen, as well as all other Borrowers and Guarantors of the Loan, shall execute a hazardous substance indemnity agreement in favor of Lender with respect to the Fee Simple Mortgage, in substantially the same for as the Hazardous Substance Indemnity being executed by Borrower and each Guarantor on the date hereof.

(o) [Redacted: Commercially Sensitive Information].

5.2. Negative Covenants. Borrower covenants and agrees that from the date of execution of this Agreement until all Obligations have been fully paid, it will not without Lender's prior written consent:

(a) Incur Indebtedness. Incur any indebtedness other than (collectively, "Permitted Indebtedness"):

(i) the Loans and any subsequent indebtedness to Lender;

(ii) open account obligations incurred in the ordinary course of business having maturities of less than 90 days unless in the ordinary course of business extended maturities are available;

(iii) existing indebtedness disclosed on Borrower's Financial Statements provided to Lender prior to the date hereof or in the financial statements of Vext Science, Inc. and its subsidiaries which are not Borrowers or Guarantors of this Loan (collectively, "Vext Affiliated Parties") provided to Lender prior to the date hereof;

(iv) indebtedness secured by Permitted Liens;

(v) indebtedness incurred in the ordinary course of business to the extent materially consistent with the indebtedness reflected on the most recent Financial Statements delivered to Lender;

(v) in connection with the APP Transaction or an Authorized M&A Transaction; and

(vi) additional permitted secured debt in an amount not to exceed \$10,000,000.00 which is incurred by Borrower under the following conditions:

(1) Prior to obtaining any additional indebtedness under this Section 5.2(a)(vi), Borrower shall provide Lender with written notice of its intent to obtain any such indebtedness. Along with the notice specified in the prior sentence, Borrower will provide Lender with the amount of such indebtedness, the lender name, address and contact information, a copy of any and all loan documents, and any other information reasonably requested by Lender. Within fifteen (15) days following receipt of the notice and supporting documentation outlined in this paragraph, Lender shall have the right to consent to Borrower obtaining such additional indebtedness or withhold its consent, with Lender not unreasonably withholding its consent. If Lender provides its consent under this paragraph, Borrower may obtain additional secured indebtedness upon complying all other terms and conditions of this Section 5.2(a)(vi)

(2) Any and all indebtedness incurred under this Section 5.2(a)(vi), together with any and all liens, security interests and other encumbrances against the Collateral and/or any Borrower's assets, shall be fully subordinated to the Indebtedness owed to Lender hereunder and to any and all liens, security interests and other encumbrances granted in favor of Lender in connection herewith and the other Loan Documents, pursuant to a fully

executed subordination agreement in form and substance acceptable to Lender, in Lender's sole discretion;

- (3) As a condition of obtaining any additional indebtedness under this Section 5.2(a)(iv), Borrower must be in material compliance with all affirmative and restrictive covenants hereunder; and
- (4) The creation of any subordinated Indebtedness under this Section 5.2(a)(iv) will not result in an Event of Default hereunder.

(b) Create Liens. Other than subordinated security interests granted in connection with Permitted Indebtedness, create, assume or permit to exist any mortgage, pledge, encumbrance or other security interest or Lien upon any assets now owned or hereafter acquired by them or enter into any arrangement for the acquisition of property subject to any conditional sales agreement except for: (i) Permitted Liens, and (ii) any liens or encumbrances incurred in connection with an indebtedness set forth in Section 5.2(a).

(c) Guarantee. Guarantee, endorse, or become contingently liable for the obligations of any person, firm, or corporation, except in connection with (i) the endorsement and deposit of checks in the ordinary course of business for collection and (ii) Permitted Indebtedness.

(d) Amend Organizational Documents. Except in connection with the APP Transaction or pursuant to an Authorized M&A Transaction, amend or change its Organizational Documents, recapitalize or otherwise change or adjust its capital, or assume a trade name or otherwise do business by any name other than the name reflected on the Organizational Documents or as previously disclosed in writing to Lender.

(e) Additional Securities. Except in connection with the APP Transaction or pursuant to an Authorized M&A Transaction, issue any additional securities of any description, including but not limited to stock, shares of stock, limited liability company interests, partnership interests or warrants, options or rights to purchase its securities.

(f) Guarantee for Affiliates. Directly or indirectly issue any guarantee for the benefit of any of its Affiliates (other than in connection with Permitted Indebtedness); directly or indirectly make any loans or advances to, or investments in, any of its Affiliates; enter into any transaction with any of its Affiliates, other than in the ordinary course of business upon fair and commercially reasonable terms no less favorable to Borrower than could be obtained in an arms-length transaction as reasonably determined by Lender; or divert (or permit anyone to divert) any business opportunities to any Affiliate or any other corporate or business entity in which Borrower or its shareholders holds a direct or indirect interest.

(g) Purchase Stock. Except in connection with the APP Transaction or pursuant to an Authorized M&A Transaction, purchase or hold beneficially any stock, other securities or evidences of indebtedness of, make any loans or advances to, or make any investment or acquire any interest whatsoever in, any other person, firm or corporation outside the ordinary course of business for Borrower.

(h) Change Ownership, Merge or Consolidate. Except in connection with the APP Transaction or pursuant to an Authorized M&A Transaction, take any action that does or will result in any change of ownership of the Borrower or merge or consolidate with or into any other entity or lease, sell or otherwise dispose of all, or substantially all, of its property, assets and business.

(i) Patriot Act. (i) Be or become subject at any time to any law, regulation, or list of any government agency (including, without limitation, the U.S. Office of Foreign Asset Control list) that prohibits or limits Lender from making any advance or extension of credit to Borrower or from otherwise conducting business with Borrower, or (ii) fail to provide documentary and other evidence of Borrower's identity as may be requested by Lender at any time to enable Lender to verify Borrower's identity or to comply with any applicable law or regulation, including, without limitation, Section 326 of the USA Patriot Act of 2001, 31 U.S.C. Section 5318.

(j) Voluntarily Pre Pay. Voluntarily prepay any Indebtedness owing by Borrower prior to the stated maturity date thereof other than (i) the Obligations in accordance with the stated terms and conditions concerning prepayment, (ii) Indebtedness to trade creditors where the prepayment shall result in a discount on the amount due; (iii) Permitted Indebtedness so long as such prepayment will not result in an Event of Default and Borrower is in compliance with all affirmative and negative covenants hereunder and (iv) any other payment consented to in writing by the Lender.

(k) Lease. Except in connection with the APP Transaction, pursuant to an Authorized M&A Transaction, or otherwise outside the ordinary course of business, enter into any lease of real or personal property as the lessee, or become or remain liable in any way whether by assignment, as guaranty or other surety. For the avoidance of doubt, Borrower's lease of equipment and other personal property necessary to conduct its business and as customary in the ordinary course of business will not require any further approval by Lender hereunder.

5.3 APP Transaction. Borrower covenants and agrees that, prior to the execution of this Agreement, Borrower has provided Lender with any and all material documents, agreements, and other instruments associated with the APP Transaction executed prior to the date hereof and drafts of any such documents, agreements and other instruments contemplated, as of the date hereof, to be entered into on the date hereof or in the future (collectively, the "APP Transaction Documents"). Additionally, Borrower further covenants and agrees that: (a) prior to the execution of this Agreement, Borrower has provided Borrower with true, correct, and final copies of any and Organizational Documents of the entities involved in the APP Transaction that are in place on the date hereof: (b) a written confirmation of Borrower's intended ownership and management structuring following the closing of the APP Transaction and applicable regulatory approvals concerning ownership transfer; and (c) within three (3) business days following any regulatory approvals concerning the entities involved in the APP Transaction, true, correct, and final executed copies of any and all Organizational Documents of the applicable entities receiving such approvals (collectively, the "APP Transaction Entity Organizational Documents"). Borrower covenants and agrees that, to its knowledge, other than the APP Transaction Documents and APP Transaction Entity Organizational Documents provided by Borrower to Lender or otherwise authorized by Lender as outlined in the two prior sentences, there are no material documents being executed in connection with or as a part of the APP Transaction prior to the date hereof, on the date hereof or in the future. Borrower covenants and agrees that there shall be no material changes to the forms of the APP Transaction Documents or the APP Transaction Entity Organizational Documents provided to and reviewed by Lender under this Section 5.3 without Lender's prior written consent, not to be unreasonably withheld. The terms and conditions of the APP Transaction, the APP Transaction Documents, the APP Transaction Entity Organizational Documents, and all documents executed in connection therewith, will not alter, reduce, minimize or otherwise change the Obligations of any Borrower or any Guarantor in connection with or under the Loan Documents. Lender has reviewed and approved the APP Transaction Documents and APP Transaction Entity Organizational Documents and for the transactions contemplated therein to occur on the terms outlined therein, but does not consent by executing this document for the APP Transaction to occur on other terms or conditions or pursuant to other documentation. In the event Borrower requires any material change to the APP Transaction Entity Organizational Documents of any Borrower to nominate, elect, or otherwise add any person or entity that would either: (a) transfer ownership or control of such Borrower to a person, entity or other third party who is not a party to this Loan as a Borrower or a Subsidiary of any Borrower; or (b) result in the transfer of ownership or control over any Collateral to a person, entity or other third party who is not a party to this Loan as a Borrower or a Subsidiary of any Borrower, then Borrower acknowledges and agrees that Lender may, as a condition to approving the change or modification to the APP Transaction Entity Organizational Documents, require the addition of the foregoing described person, entity or other third party as a Borrower to the Loan and the execution of related Loan Documents as reasonably requested by Lender.

6. Events of Default and Remedies.

6.1 Events of Default. Each of the following events is an "Event of Default:"

(a) Any failure to make any payment when due of principal or accrued interest on the Note or any other Obligation and such non-payment continues for more than ten (10) days.

(b) Any representation or warranty of Borrower set forth in this Agreement, the Note, the Loan Documents, or in any agreement, instrument, document, certificate or financial statement evidencing, guarantying, securing or otherwise related to, this Agreement, the Note, the Loan Documents, or any other Obligation shall be materially inaccurate or misleading; however, to the extent curable, such inaccuracy or misstatement remains uncured by Borrower after ten (10) business days following written notice by Lender.

(c) Borrower shall fail to observe or perform any other term or condition of this Agreement, the Note, the Loan Documents, or any other term or condition set forth in any agreement, instrument, document, certificate or financial statement evidencing, guarantying or otherwise related to this Agreement, the Note, the Loan Documents, or any other Obligation, or Borrower shall otherwise default in the observance or performance of any covenant or agreement set forth in any of the foregoing; provided that if it is not corrected or remedied to the satisfaction of the Lender for a period of twenty (20) business days after the date on which written notice of such failure has been given by the Lender to the Borrower.

(d) Except in connection with the APP Transaction, an Authorized M&A Transaction, or as otherwise permitted herein, the dissolution of Borrower or the merger or consolidation of Borrower with a third party, or

the lease, sale or other conveyance of a material part of the assets or business of Borrower to a third party outside the ordinary course of its business, or the lease, purchase or other acquisition of a material part of the assets or business of a third party by any of the foregoing.

(e) The creation of any Lien (except Permitted Liens and other liens permitted pursuant to Section 5.2(b)) on, the institution of any garnishment proceedings by attachment, levy or otherwise against, the entry of a judgment against, or the seizure of, any of the property of Borrower or any endorser or Guarantor hereof including, without limitation, any property deposited with Lender.

(f) In the reasonable judgment of Lender, any material adverse change occurs in the existing or prospective financial condition of Borrower that would materially affect the ability of Borrower to repay the Obligations, which is not rectified to the satisfaction of the Lender after written notice thereof is sent from Lender to Borrower within the timeframe set forth in such written notice, which shall not be shorter than twenty (20) business days.

(g) A commencement by the Borrower, Guarantor, or any endorser of the Obligations of a voluntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect; or the entry of a decree or order for relief in respect of the Borrower, Guarantor, or any of the Obligations in a case under any such law or appointing a receiver, liquidator, assignee, custodian, trustee, sequestrator (or other similar official) of the Borrower, Guarantor, or any endorser of the Obligations, or for any substantial part of the property of Borrower, Guarantor, or any endorser of the Obligations, or ordering the wind-up or liquidation of the affairs of Borrower, Guarantor, or any endorser of the Obligations; or the filing of a petition initiating an involuntary case under any such bankruptcy, insolvency or similar law; or the making by Borrower, Guarantor, or any endorser of the Obligations of any general assignment for the benefit of creditors; or the failure of the Borrower, Guarantor, or any endorser of the Obligations generally to pay its debts as such debts become due; or the taking of action by the Borrower, Guarantor, or any endorser of the Obligations in furtherance of any of the foregoing.

(h) Any sale, conveyance or transfer of any rights in the Collateral securing the Obligations (other than Inventory (as defined in any Security Document) as specifically permitted under any Security Documents or leases as specifically permitted under the terms of any Mortgage), or any destruction, loss or damage of or to the Collateral in any material respect and in excess of \$100,000.00 in any singular occurrence that is not otherwise covered by insurance or cannot be promptly replaced or repaired by Borrower within sixty (60) days.

6.2. Remedies. If any Event of Default shall occur and be continuing:

(a) Automatically, upon the occurrence of an Event of Default, Lender may terminate its commitment to lend hereunder (if still in existence), declare all Obligations to be due and payable forthwith in their aggregate amount together with accrued interest and all prepayment premiums, fees, and charges applicable thereto, whereupon they shall forthwith become due and payable, without presentment, demand, protest, or notice of any kind, all of which are hereby expressly waived by Borrower.

(b) Lender may set off against the Obligations, all Collateral, balances, credits, deposits, accounts or monies of Borrower then or thereafter held with Lender, including amounts represented by certificates of deposit.

(c) Lender may resort to the rights and remedies of a secured party under the Uniform Commercial Code including the right to enter any premises of Borrower, with or without legal process and take possession of the Collateral and remove it and any records pertaining thereto and/or remain on such premises and use it for the purpose of collecting, preparing and disposing of the Collateral; [Redacted: Commercially Sensitive Information].

(d) Lender may ship, reclaim, recover, store, finish, maintain and repair the Collateral, and may sell the Collateral at public or private sale, and Borrower shall be credited with the net proceeds of such sale only when they are actually received by Lender; any requirement of reasonable notice of any disposition of the Collateral shall be satisfied if such notice is sent to Borrower ten (10) days prior to such disposition.

(e) Borrower shall upon request of Lender assemble the Collateral and any records pertaining thereto and make them available at a place designated by Lender.

(f) Lender may use, in connection with any assembly or disposition of the Collateral, any trademark, trade name, tradestyle, copyright, patent right, trade secret or technical process used or utilized by Borrower (the "IP Assembly Right"); however, Lender acknowledges and agrees that the IP Assembly right shall and will not apply to any intellectual property and related intangible rights: (i) deriving from or otherwise owned by any Vext Affiliated

Parties that are utilized in any operations of Borrower; and (ii) deriving from or otherwise owned by any third party to these Loan Documents that are utilized in any operations of Borrower under a licensing or other similar arrangement.

(g) Lender may take such measures as Lender may reasonably deem necessary or advisable to preserve, collect, process, develop, maintain, protect, care for or insure the Collateral or any portion thereof; and Borrower irrevocably appoints Lender as Borrower's attorney-in-fact to do all acts and things in connection therewith and in particular, to endorse checks and other instruments payable to Borrower.

6.3. No Remedy Exclusive. No remedy set forth herein is exclusive of any other available remedy or remedies, but each is cumulative and in addition to every other remedy given under this Agreement or any of the Loan Documents or now or hereafter existing at law or in equity or by statute.

6.4. Agreement to Pay Attorney's Fees and Other Expenses. In the event Borrower should default under any of the provisions of this Agreement and Lender should employ attorneys or incur other expenses including, but not limited to, appraisal and title fees, for the collection of the Note or the enforcement of performance or observance of any Obligation or agreement on the part of Borrower contained in this Agreement and the Loan Documents or in or represented by the Note, the Borrower shall on demand therefor reimburse Lender's Attorneys' Fees.

6.5. Delays and Waiver. No delay or omission to exercise any right shall impair any such right or be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. Any waiver of a breach of this Agreement shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

7. Miscellaneous Provisions.

7.1. Definitions. All capitalized terms used herein or in an Exhibit hereto and not expressly defined herein shall have the meanings set forth for them below. All financial terms used in this Agreement, other than those defined in this Agreement, shall have the meanings given to them by generally accepted accounting principles. All other undefined terms shall have the meanings given to them in the Uniform Commercial Code.

"Affiliate" will mean, as to Borrower or Guarantor, any person or entity which, directly or indirectly, is in control of, is controlled by or is under common control with, Borrower or Guarantor.

"Agreement" will mean this Loan Agreement and any amendments, modifications, restatements or superseding documents thereof or thereto.

"APP Transaction" will mean collectively the contemplated and pending Membership Interest Purchase Agreements and ancillary documents entered or actions taken in connection with the proposed acquisition by Vapen Ohio, LLC, an Ohio limited liability company, of 100% of the membership interests in and to the following entities: (a) Appalachian Pharm Products, LLC, an Ohio limited liability company; (b) Appalachian Pharm Processing, LLC, an Ohio limited liability company; and (c) APP1803, LLC, an Ohio limited liability company. For the avoidance of doubt, the APP Transaction also includes any ancillary documents entered or action taken in connection with the creation or transfer of rights and interests in and to, contingent or otherwise, concerning CannAscend, LLC, an Ohio limited liability company, and Buckeye Botanicals, LLC, an Ohio limited liability company.

"Attorneys' Fees" will mean the reasonable value of the services (and all costs and expenses related thereto) of the attorneys (and all paralegals and other staff employed by such attorneys) employed by Lender from time to time to: (a) take any action in or with respect to any suit or proceedings (bankruptcy or otherwise) relating to the Collateral or this Agreement; (b) protect, collect, lease or sell, any of the Collateral; (c) attempt to enforce any lien on any of the Collateral or to give any advice with respect to such enforcement; (d) enforce any of Lender's rights to collect any of the Obligations; (e) give Lender advice with respect to this Agreement, including but not limited to advice in connection with any default, workout or bankruptcy, (f) prepare, process, document and close the Loan, Agreement, Loan Documents, and any amendments, restatements, amendments or waivers thereto or any of the documents executed in connection with any of the Obligations or to otherwise establish or maintain any of Lender's rights or Borrower's or Guarantor's obligations under any of the foregoing.

"Authorized M&A Transaction" will mean one or a series of transactions resulting on a change of the equity interests in or management rights to any Borrower (whether by merger, acquisition, consolidation, reorganization, or otherwise) that (a) Borrower discloses in writing to Lender for Lender's prior written approval, with such approval not to be unreasonably withheld; and (b) will not result in an Event of Default hereunder, or otherwise cause the Borrower to be in breach of any affirmative or negative covenants under the Loan Documents. For the avoidance of doubt, Lender

acknowledges and agrees that the APP Transaction is an Authorized M&A Transactions requiring no further approval by Lender.

"Bankruptcy Code" will mean 11 U.S.C. Section 101 et seq. as amended from time to time.

"Borrower" will mean collectively each Person identified above in the header to this Agreement as a "Borrower" and signing this Agreement below as a Borrower, and each Borrower's successors and assigns, including but not limited to any receiver, custodian, and trustee or debtor-in-possession.

"Collateral" will mean any property, real or personal, tangible or intangible, now or in the future securing the Obligations, including but not limited to the property covered by the Security Documents and as may be further defined in the Loan Documents.

"Default" or "Event of Default" will mean any event or condition that with the passage of time or giving of notice, or both, would constitute (a) an event of default under any of the documents evidencing any of the Obligations or (b) a default under any of such documents that do not have a defined set of events of default.

"Default Rate" will mean 5% per annum plus the highest rate of interest that would otherwise be in effect under any Note, but not more than the highest rate permitted by applicable law.

"ERISA" will mean the Employee Retirement Income Security Act of 1974, and any regulations promulgated thereunder from time to time, as amended or as may be replaced by successor statute.

"Financial Statements" will mean the Borrower's balance sheet and income statement and, if requested by Lender, the Borrower's statement of cash flows and reconciliation of net worth, in each case prepared in accordance with Borrower's standard accounting practices or such other commercially accepted accounting method consistently applied.

"Guarantor" will mean collectively each Person identified above in the header to this Agreement as a "Guarantor," and any Person that now or in the future deliver one or more guaranty agreements to Lender.

"Indebtedness" will mean the total amount of monies or liabilities owed, provided that notwithstanding anything to the contrary herein, "Indebtedness" shall include but not be limited to: (a) all items (except items of capital stock, of capital surplus, of general contingency reserves or of retained earnings, deferred income taxes, and amount attributable to minority interest if any) which in accordance with generally accepted accounting principles would be included in determining total liabilities on a consolidated basis (if Borrower should have a Subsidiary) as shown on the liability side of a balance sheet at the date as of which Indebtedness is to be determined, (b) all indebtedness secured by any mortgage, pledge, lien or conditional sale or other title retention agreement to which any property or asset owned or held is subject, whether or not the indebtedness secured thereby shall have been assumed (excluding non-capitalized leases which may amount to title retention agreements but including capitalized leases), and (c) all indebtedness of others which Borrower or any Subsidiary has directly or indirectly guaranteed, endorse (otherwise than for collection or deposit in the ordinary course of business), discounted or sold with recourse or agreed (contingently or otherwise) to purchase or repurchase or otherwise acquire, or in respect of which Borrower or any Subsidiary has agreed to apply or advance funds (whether by way of loan, stock purchase, capital contribution or otherwise) or otherwise to become directly or indirectly liable.

"Intercreditor Agreement" will mean that certain form of Intercreditor Agreement, by and amongst Lender, East West Bank, [Redacted: Confidential Information], and Sopica Special Opportunities Fund Limited (collectively, the "Secured Lenders"), which the Secured Lenders intend to and will execute within thirty (30) days from the date of this Agreement, as amended from time to time.

"Late Fee" will mean 5% of the amount which is overdue.

"Law(s)" will mean all laws, statutes, ordinances, rules, orders, injunctions, decrees, regulations, rulings, conditions, directions or other requirements (including, but not limited to, those relating to public health, employment practices and pension benefits, and environmental, occupational and health standards and controls) now or hereafter set forth by any governmental authority, court, or agency.

"Leasehold Mortgagor's Interest" shall mean a Person's respective (a) leasehold estate, as lessee or tenant, or ground lessee or ground tenant, of the real estate described in a Leasehold Mortgage, and (b) all of the estate, title and interest of such Person, in law or equity, of, in and to such real estate and the buildings and improvements now existing, being constructed, or hereafter constructed or placed thereon, all of the rights, privileges,

licenses, easements and appurtenances belonging to such real estate (including all heretofore or hereafter vacated streets or alleys which are about such real estate), and all fixtures of every kind whatsoever located in or on, or attached to, and used or intended to be used in connection with or with the operation of such real estate, buildings, structures or other improvements thereon or in connection with any construction now or to be conducted or which may be conducted thereon, together with all building materials and equipment now or hereafter delivered to such real estate and intended to be installed therein; and all extensions, additions, improvements, betterments, renewals, substitutions and replacements to any of the foregoing, and the proceeds of any of the foregoing.

"Lender" will mean Lender and all affiliates, employees, directors, officers, agents and insurers thereof.

"Lender's Affiliate" will mean any person or entity that controls, is controlled by, or is under common control with Lender. For purposes of this definition, a person or entity has control over another person or entity if (a) the person or entity directly or indirectly or acting through one or more other persons or entities owns, controls, or has power to vote 25% or more of any class of voting securities of the other person or entity, (b) the person or entity controls in any manner the election of a majority of the directors, trustees or managers of the other person or entity, or (c) the person or entity directly or indirectly exercises a controlling influence over the management or policies of the other person or entity. For purposes of any letter of credit, or foreign exchange or other international transactions or services, or treasury management services "Lender's Affiliate" shall also include any agent, correspondent, or counterparty financial institution used by Lender to provide any such products or services for the benefit of or at the request of Borrower.

"License Rights" will mean all licenses, permits, authorizations, patents, trademarks, copyrights, franchises, trade names, and other rights similar to the foregoing.

"Lien" will mean any security interest, mortgage, pledge, assignment, lien or other encumbrance of any kind, including interests of vendors or lessors under conditional sale contracts or capital leases.

"Loan(s)" will mean any and all advances of funds under this Agreement or any of the Notes.

"Loan Documents" will mean each and every document or agreement executed by any party evidencing, guarantying or securing any of the Obligations (including, without limitation, this Agreement, the Note, the Security Documents, and all agreements, instruments, and documents executed and delivered in connection with the foregoing or otherwise related thereto together with amendments, modifications or restatements thereof); and "Loan Document" means any one of the Loan Documents.

"Note(s)" will mean any note, now or in the future, between Borrower and Lender, and will include any amendments made thereto and restatements thereof, extensions and replacements.

"Obligation(s)" will mean all loans, advances, indebtedness and each and every other obligation or liability of Borrower owed to each of Lender and/or any Lender's Affiliate, however created, of every kind and description whether now existing or hereafter arising and whether direct or indirect, primary or as guarantor or surety, absolute or contingent, liquidated or unliquidated, matured or unmatured, participated in whole or in part, created by trust agreement, lease overdraft, agreement or otherwise, whether or not secured by additional Collateral, whether originated with Lender or owed to others and acquired by Lender by purchase, assignment or otherwise, and including, without limitation, all loans, advances, indebtedness and each and every obligation or liability arising under the Loan Documents, any and all letters of credit now or hereafter issued, honored or paid by Lender or any Lender's Affiliate, or any negotiating, confirming, advising, accepting, or paying bank or other financial institution for the benefit of or at the request of Borrower, foreign exchange or other international transactions or services, treasury management services, all obligations to perform or forbear from performing acts, and agreements, instruments and documents evidencing, guarantying, securing or otherwise executed in connection with any of the foregoing, together with any amendments, modifications and restatements thereof, and all expenses and Attorneys' Fees incurred by Lender hereunder or any other document, instrument or agreement related to any of the foregoing.

"Organizational Documents" will mean the documents necessary for the formation of an entity, which will include the Articles or Certificate of Incorporation and Code of Regulations or Bylaws if the entity is a corporation; the Articles or Certificate of Organization and Operating Agreement or Limited Liability Company Agreement, if any, if the entity is a limited liability company; the Partnership Agreement or Limited Partnership Agreement if the entity is a partnership; and the trust agreement if the entity is a trust; and in any other case the functional equivalent of the foregoing.

"Permitted Liens" will mean:

(a) liens securing the payment of taxes, either not yet due or the validity of which is being contested in good faith by appropriate proceedings promptly initiated and diligently conducted, and as to which it has set aside on its books adequate reserves to the extent required by generally accepted accounting principles;

(b) deposits under workers' compensation, unemployment insurance and social security laws, or to secure the performance of bids, tenders, contracts (other than for the repayment of borrowed money) or leases, or to secure statutory obligations or surety or appeal bonds, or to secure indemnity, performance or other similar bonds in the ordinary course of business;

(c) liens imposed by law, such as carriers' warehousemen's or mechanics' liens, incurred by it in good faith in the ordinary course of business for which payment is not yet due or for which cash or other security satisfactory to Lender, in its sole discretion, in an amount sufficient to fully pay and discharge the same has been deposited with Lender, and liens arising out of a judgment or award against it with respect to which it will currently be prosecuting an appeal, a stay of execution pending such appeal having been secured;

(d) liens in favor of Lender;

(e) reservations, exceptions, encroachments and other similar title exceptions or encumbrances affecting real properties, provided such do not materially detract from the use or value thereof as used by the owner thereof;

(f) attachment, judgment and similar liens provided that execution is effectively stayed pending a good faith contest;

(g) liens arising in connection with a purchase money security interest;

(h) liens granted in favor of Borrower's sole member in connection with loans made to Borrower; and

(i) liens existing on the date hereof or granted to secure Permitted Indebtedness.

"Person" shall mean individuals, partnerships, corporations, limited liability companies, trusts, and all other entities.

"Security Documents" will mean the agreements, pledges, mortgages, security agreements, guaranties, intercreditor agreements or other documents delivered by Borrower, any Guarantor or any other person or entity to Lender previously, now or in the future to encumber the Collateral in favor of Lender, and all amendments thereto and restatements thereof.

"Solvent" will mean that: (a) the total amount of the Borrower's assets is in excess of the total amount of its liabilities (including contingent liabilities), at a fair valuation; (b) Borrower does not have unreasonably small capital for the business and transactions in which Borrower is engaged or is about to engage; and (c) Borrower does not intend to or believe it will incur obligations beyond its ability to pay as they become due.

"Subsidiaries" will mean (i) any entity 25% or more of whose voting shares is directly or indirectly owned or controlled by Borrower, or is held by it with power to vote; (ii) any entity the election of a majority of whose directors or managers is controlled in any manner by Borrower; or (iii) any entity with respect to the management or policies of which Borrower has the power, directly or indirectly, to exercise a controlling influence.

"UCC" or "Uniform Commercial Code" shall mean that version of the Uniform Commercial Code adopted by the State whose law has been chosen as governing law.

7.2. Waiver of Borrower. Demand, presentment, protest and notice of dishonor, notice of protest and notice of default are hereby waived by Borrower, and any endorser or Guarantor hereof. Each of Borrower, including but not limited to all co-makers and accommodation makers of the Note, hereby waives relief under valuation and appraisal laws and all suretyship defenses including but not limited to all defenses based upon impairment of Collateral and all suretyship defenses described in Section 3-605 of the Uniform Commercial Code. Such waiver is entered to the full extent permitted by Section 3-605 (i) of the UCC.

7.3. Severability and Interpretation. If any part of this Agreement or the application thereof to any person or circumstance is held invalid, the remainder of this Agreement shall not be affected thereby. Unless the context

otherwise indicates, the singular includes the plural and vice versa, the masculine includes the feminine and neuter, and the pronouns "herein" and the like refer to this entire Agreement.

7.4. Binding Effect. This Agreement shall be binding upon and inure to the benefit of the respective legal representatives, successors and assigns of the parties hereto; however, Borrower may not assign any of its or their rights or delegate any of its or their obligations hereunder. Lender (and any subsequent assignee) may transfer and assign this Agreement and the Collateral to the assignee, who shall thereupon have all of the rights of Lender; and Lender (or such subsequent assignee who in turn assigns as aforesaid) shall then be relieved and discharged of any responsibility or liability with respect to this Agreement and said Collateral. Lender may also assign partial interests or participation in this Agreement and the Loan to other persons. Lender may disclose to all prospective and actual assignees and participants all financial, business and other information about Borrower which Lender may possess at any time. This Agreement, and all of the understandings, agreements, representations and warranties contained herein are solely for the benefit of the parties hereto, and there are no other parties who are intended to be benefited in any way whatsoever by this Agreement.

7.5. Notices. Any notices under or pursuant to this Agreement shall be deemed duly sent when delivered in hand or when mailed by registered or certified mail, return receipt requested, addressed to the applicable party hereto at the address(es) set forth above in the header to this Agreement. Any party may change such address by sending notice of the change to the other party(ies) hereto.

7.6. Complete Agreement; Counterparts. This Agreement is the complete agreement of the parties hereto and supersedes all previous understandings and agreements relating to the subject matter hereof; this Agreement may be amended only by an instrument in writing which explicitly states that it amends this Agreement and is signed by the party against whom enforcement of the amendment is sought. The section headings herein are included for convenience only and shall not be deemed to be a part of this Agreement. This Agreement may be executed in counterparts, each of which will be an original and all of which will constitute a single agreement. A photocopy of this executed Agreement or any other Loan Document shall be effective and enforceable as if such photocopy is an original.

7.7. Time is of the Essence. Time is of the essence in carrying out all of the provisions in this Agreement.

7.8. Setoff. To the extent permitted by applicable law, Lender reserves a right of setoff in all of Borrower's accounts with Lender (whether checking, savings, or some other account). This includes all accounts Borrower holds jointly with someone else and all accounts Borrower may open in the future. However, this does not include any IRA or Keogh accounts, or any trust accounts for which setoff would be prohibited by applicable law. Borrower authorizes Lender, to the extent permitted by applicable law, to charge or setoff all sums due and owing with respect to the Obligations against any and all such accounts upon the occurrence of an Event of Default.

7.9. Governing Law; Consent to Jurisdiction. This Agreement is delivered in, is intended to be performed in, will be construed and enforceable in accordance with and governed by the internal laws of, the State of Ohio, without regard to principles of conflicts of law. Borrower agrees that the state and federal courts in the County where the Lender is located or any other court in which Lender initiates proceedings shall have exclusive jurisdiction over all matters arising out of this Agreement and the Loan Documents, and that service of process in any such proceeding shall be effective if mailed to Borrower at the address set forth herein.

7.10. Jury Waiver. BORROWER AND ANY ENDORSER OF GUARANTOR HEREOF WAIVE THE RIGHT TO A TRIAL BY JURY OF ANY MATTERS ARISING OUT OF THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

7.11. Multiple Borrowers. Each and every reference to any and all representations, warranties, covenants and undertakings of Borrower herein, including, but not limited to the Events of Default, shall be deemed to apply to each of the undersigned, jointly and severally.

[Signature Page to Follow]

IN WITNESS WHEREOF, the parties have executed this Loan Agreement as of the date and year first written above.

BORROWER:

Vapen Ohio, LLC

an Ohio limited liability company:

By: New Gen Holdings, Inc., a Wyoming Corporation
Title: Sole Member

By: (s) Eric Offenberger
Eric Offenberger, Chief Executive Officer

LENDER:

Wright-Patt Credit Union, Inc.

an Ohio not-for-profit corporation:

By: (s) Authorized Signatory

Name: _____

Title: _____

BORROWER:

New Gen Ohio LLC

an Ohio limited liability company:

By: New Gen Holdings, Inc., a Wyoming Corporation
Title: Manager

By: (s) Eric Offenberger
Eric Offenberger, Chief Executive Officer

BORROWER:

Appalachian Pharm Products LLC

an Ohio limited liability company:

By: (s) David Leroy Johns
David Leroy Johns, Manager

BORROWER:

Appalachian Pharm Processing LLC

an Ohio limited liability company:

By: (s) David Leroy Johns
David Leroy Johns, Manager

BORROWER:

888 Prime LLC

an Ohio limited liability company:

By: (s) David Leroy Johns
David Leroy Johns, Managing Member

BORROWER:

New Gen Eloy, LLC

an Arizona limited liability company:

By: (s) Eric Offenberger
Eric J. Offenberger, Manager

BORROWER:

New Gen PHX, LLC

an Arizona limited liability company:

By: (s) Eric Offenberger
Eric J. Offenberger, Manager

EXHIBIT A

[Redaction: Confidential Information]