

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

FORM 8-K

CURRENT REPORT

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

Date of Report (Date of earliest event reported): December 30, 2022 ~~December 28, 2022~~

UNRIVALED BRANDS, INC.

(Exact name of registrant as specified in its charter)

<u>Nevada</u> (State or other jurisdiction of incorporation)	<u>000-54258</u> (Commission File Number)	<u>26-3062661</u> (IRS Employer Identification No.)
<u>3242 S. Halladay St., Suite 202</u> <u>Santa Ana, California</u> (Address of principal executive offices)		<u>92705</u> (Zip Code)

Registrant's telephone number, including area code: (888) 909-5564

Not Applicable

(Former name or former address, if changed since last report)

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

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

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

<u>Title of each class</u>	<u>Trading symbol</u>	<u>Name of each exchange on which registered</u>
Common Stock, par value \$0.001	UNRV	OTCQB

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

Emerging Growth Company

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

Item 1.01 Entry into a Material Definitive Agreement.

Sale of LTRMN, Inc.

Unrivaled Brands, Inc. (the “Company”), through its wholly-owned subsidiary, UMBRLA, Inc., a Nevada corporation (“UMBRLA”), owned all of the equity interests (the “LTRMN Equity”) of LTRMN, Inc., an Oregon corporation (“LTRMN”). LTRMN conducts cannabis distribution and wholesale activities in Oregon. On December 28, 2022, the Company entered into a Stock Purchase and Sale Agreement (the “LTRMN SPA”) pursuant to which it sold the LTRMN Equity to Buchanan Group, LLC, an Oregon limited liability company (the “LTRMN Purchaser”) and an unaffiliated third-party buyer, for an aggregate purchase price of \$250,000.

The purchase price for the LTRMN Equity was paid in the form of a secured promissory note issued by the LTRMN Purchaser to the Company (the “LTRMN Note”). Interest on the LTRMN Note is calculated on the basis of a 365-day year and actual days elapsed, at a rate of 8.0% simple interest per annum. The outstanding principal balance of the LTRMN Note, together with all accrued but unpaid interest thereon, is due and payable on the third anniversary of the date of issuance of the LTRMN Note. Upon a final and binding settlement of the certain ongoing litigation that is approved by UMBRLA: (i) the Purchase Price (as defined in the LTRMN SPA) shall be automatically revised to be \$0 and the promissory note shall be deemed to be paid and satisfied in-full and (ii) the Intercompany Balance (as defined on Schedule 1.3 to the LTRMN SPA) shall be automatically revised to be \$0 and the Intercompany Balance shall be deemed to be paid and satisfied in-full.

The LTRMN SPA contains customary representations, warranties, covenants, and indemnification provisions. The LTRMN SPA is contingent on certain closing conditions being met, including, among other things, (i) the accuracy of the representations and warranties, and (ii) compliance by the parties with their respective covenants. The parties to the LTRMN SPA also agreed to use commercially reasonable efforts to negotiate and execute a binding license agreement for the non-exclusive use by the Company of the “Korova” brand, including related trademarks and corresponding intellectual property.

Sale of Psychonaut Oregon, LLC

The Company owned 50% of the equity interests (the “Psychonaut Equity”) of Psychonaut Oregon, LLC, an Oregon limited liability company (“Psychonaut”). Psychonaut conducts cannabis cultivation activities in Oregon. On December 28, 2022, the Company entered into a Membership Interest Purchase and Sale Agreement (the “Psychonaut MIPA”) pursuant to which it sold the Psychonaut Equity to Joseph Gerlach for an aggregate purchase price of \$1. Mr. Gerlach owns the other 50% of the equity interests in Psychonaut and is also the Company’s Chief Cultivation Officer. As part of the transaction, Mr. Gerlach is assuming a five year long-term lease liability with \$500,000 of remaining lease payments (under which the Company was previously obligated as the lessee) and the assumption of all operational liabilities and expenditures including the payroll and related expenses for Psychonaut employees. In connection with sale of Psychonaut, the Company entered into an unsecured promissory note dated as of December 28, 2022 (the “Psychonaut Note”) pursuant to which the Company will consolidate all current liabilities due to Mr. Gerlach into a total principal amount of \$153,798 due in 60 months. Interest on the Psychonaut Note is calculated on the basis of a 365-day year and actual days elapsed, at a rate of 1.0% simple interest per annum. The outstanding principal balance of the Psychonaut Note, together with all accrued but unpaid interest thereon, is due and payable on the fifth anniversary of the date of issuance of the Psychonaut Note.

The Psychonaut MIPA contains customary representations, warranties, covenants, and indemnification provisions. The Psychonaut MIPA is contingent on certain closing conditions being met, including, among other things, (i) the accuracy of the representations and warranties, and (ii) compliance by the parties with their respective covenants.

Management Services Agreement at San Leandro Dispensary

On December 28, 2022, the Company entered into a Management Services Agreement (the “San Leandro MSA”) with Brick City Productions, Inc. (“Manager”) to provide certain services at the Company’s San Leandro dispensary location including such things as operations management and management support, inventory management, labor administration, vendor relations, and customer service. Consideration for Manager’s performance of the services under the agreement is a management fee equal to 25% of the “gross top line revenue” as such term is defined in the San Leandro MSA. The Company will receive an administrative fee equal to 4% of the gross revenue of the San Leandro dispensary payable monthly. If, in any month, the net cash after all operational expenses are paid is less than \$20,000, such payments shall be accrued and postponed unless and until such time that net cash after all operational expenses sufficiently exceeds \$20,000. In addition, Manager will dedicate and use up to 50% of the San Leandro dispensary to sell the Company’s licensed products. The San Leandro MSA has a term of 12 months.

The San Leandro MSA contains customary representations, warranties, covenants, and indemnification provisions.

The foregoing descriptions of the LTRMN SPA, LTRMN Note, Psychonaut MIPA, Psychonaut Note, and San Leandro MSA are qualified in their entirety by reference to the full text of such documents, copies of which are filed as Exhibits 10.1, 10.2, 10.3, 10.4, and 10.5, respectively, to this Current Report and which are incorporated by reference herein in their entirety.

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

Officer Appointments

Chief Executive Officer

On December 23, 2022, the Company's board of directors (the "Board") appointed Sabas Carrillo as the Company's Chief Executive Officer. Mr. Carrillo had previously served as the Company's Interim Chief Executive Officer since August 12, 2022. Mr. Carrillo will continue to serve as the Company's Principal Executive Officer.

Other information regarding Mr. Carrillo, including his biographical information and other affiliations with the Company, is included in the Company's Current Reports on Form 8-K filed with the SEC on August 12, 2022 and August 16, 2022, and is hereby incorporated by reference herein

The Company has not proposed a final Employment Agreement with Mr. Carrillo and the Company intends to continue to discuss the specific terms of Mr. Carrillo's employment to be finalized in a future Employment Agreement.

Chief Operating Officer

On December 23, 2022, the Board appointed James Miller as the Company's Chief Operating Officer. Mr. Miller most recently served as Chief Financial Officer of Operators Only, Inc., a cannabis operations service provider supporting Cookies-branded retail and cultivation licensees, from January 2022 to October 2022. Mr. Miller was Corporate Controller at 3PL Central LLC, a private equity owned eCommerce WMS provider, from February 2020 until December 2021. Previously, Mr. Miller served as interim Chief Financial Officer and was the Vice President of Accounting at MedMen Enterprises Inc. ("MedMen"), a cannabis MSO and cultivation company, from January 2018 until December 2019, where he was responsible for financial reporting, financial controls and various operating departments through its formation, initial public offering and subsequent growth stage. He was also Chief Financial Officer of MedMen's affiliated Treehouse Real Estate Investment Trust from December 2018 until October 2019. Mr. Miller has held several senior executive and finance roles at leading entertainment firms such as the Walt Disney Company and Viacom as well as various technology and e-commerce companies. Mr. Miller received a Bachelor of Arts degree in Economics from University of California at Los Angeles, and is a CPA (license inactive), in California.

The Company has not proposed a final Employment Agreement with Mr. Miller and the Company intends to continue to discuss the specific terms of Mr. Miller's employment to be finalized in a future Employment Agreement. Currently Mr. Miller is on the Company's payroll for an annual salary of \$205,000 and his stock compensation will be determined at a later date.

There is no arrangement or understanding between Mr. Miller and any other person pursuant to which he was selected as an officer of the Company and there are no family relationships between Mr. Miller and any of the Company's directors or executive officers. There are no transactions to which the Company is a party and in which Mr. Miller has a direct or indirect material interest that would be required to be disclosed under Item 404(a) of Regulation S-K.

Director Appointment

On December 23, 2022, the Board appointed Mr. Carrillo, as a member of the Board.

Other information regarding Mr. Carrillo, including his biographical information and other affiliations with the Company, is included in the Company's Current Reports on Form 8-K filed with the SEC on August 12, 2022 and August 16, 2022, and is hereby incorporated by reference herein.

Other than as set forth in this Current Report and the Company's other filings with the SEC, there is no arrangement or understanding between Mr. Carrillo and any other person pursuant to which he was selected as a director of the Company, and there are no family relationships between Mr. Carrillo and any of the Company's directors or executive officers. Other than as set forth in this Current Report and the Company's other filings with the SEC, there are no transactions to which the Company is a party and in which Mr. Carrillo has a direct or indirect material interest that would be required to be disclosed under Item 404(a) of Regulation S-K.

Item 7.01 Regulation FD Disclosure.

On January 4, 2023, the Company issued a press release announcing the appointment of Mr. Carrillo as Chief Executive Officer and a member of the Board, Mr. Miller as Chief Operations Officer, and Ms. McCourt as Chief Revenue Officer. A copy of the press release is furnished as Exhibit 99.1 to this Current Report.

The information contained in this Item 7.01, and in Exhibit 99.1, referenced herein is being furnished and shall not be deemed to be “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any registration statement or other filing under the Securities Act of 1933, as amended, unless the Company expressly so incorporates such information by reference.

Item 8.01 Other Events.

On December 23, 2022, the Company appointed Tracy McCourt as the Company’s Chief Revenue Officer. Ms. McCourt is a seasoned retail, marketing, e-commerce, sales and product management executive with over 20 years of experience. Ms. McCourt has developed growth strategies for highly successful brands including Zappos, Skechers, Guess, Murad, Frederick’s of Hollywood, and most recently, MedMen Enterprises Inc., where she also served as Chief Revenue Officer. In this role, she reported directly to the Chief Executive Officer and lead the omni-channel marketing strategy as well as the Company’s product, merchandising and business intelligence efforts. Prior to that, she led the strategy for the brand affinity team at Zappos.

Safe Harbor Statement

Information provided in this Current Report on Form 8-K may contain statements relating to current expectations, estimates, forecasts and projections about future events that are “forward-looking statements” as defined in the Private Securities Litigation Reform Act of 1995. These forward-looking statements generally relate to the Company’s plans, objectives and expectations for future operations and are based upon management’s current estimates and projections of future results or trends. These forward-looking statements may also relate to the officer appointments, any future employment agreements related to such officer appointments, and other matters described above. Actual future results may differ materially from those projected as a result of certain risks and uncertainties. For a discussion of such risks and uncertainties, see “Risk Factors” as described in the Company’s Annual Report on Form 10-K filed with the U.S. Securities and Exchange Commission on April 15, 2022 and other reports on file with the U.S. Securities and Exchange Commission.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

10.1	LTRMN SPA.
10.2	LTRMN Note.
10.3	Psychonaut MIPA.
10.4	Psychonaut Note.
10.5	San Leandro MSA.
99.1	Press Release
104	Cover Page Interactive Data File (embedded within the Inline XBRL Document).

SIGNATURES

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

UNRIVALED BRANDS, INC.

Dated: January 4, 2023

By: /s/ Sabas Carrillo
Sabas Carrillo
Chief Executive Officer

STOCK PURCHASE AND SALE AGREEMENT

THIS STOCK PURCHASE AND SALE AGREEMENT (this “**Agreement**”) is made as of December 28, 2022, by and among LTRMN, Inc., an Oregon corporation (the “**Company**”), Buchanan Group, LLC, an Oregon limited liability company (“**Buyer**”) and UMBRLA, Inc., a Nevada corporation (“**Seller**”). The Company, Seller, and Buyer may each be referred to herein as a “party” and, collectively, as the “parties”.

RECITALS

WHEREAS, Seller is the record holder of 500,000 shares of the Company’s Common Stock (the “**Shares**”), which Shares represent 100% of the outstanding equity securities of the Company; and

WHEREAS, Seller desires to sell 100% of the Shares to Buyer and Buyer desires to acquire 100% of the Shares from Seller on the terms set forth herein.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises contained herein, the parties agree as follows:

1. SALE AND TRANSFER OF SHARES

1.1 Purchase and Sale of Stock. Subject to the terms and conditions of this Agreement, at the Closing (as defined in Section 7), Seller shall sell to Buyer, and Buyer shall purchase from Seller, the Shares for an aggregate purchase price of \$250,000.00 (the “**Purchase Price**”). The Purchase Price will be paid in the form of a secured promissory note issued by Buyer to Seller in substantially the form attached hereto as Exhibit A (the “**Note**”). Without limiting the foregoing, upon a final and binding settlement of the Magee Case (as defined on Schedule 1.3 hereto) that is approved by Seller: (i) the Purchase Price shall be automatically revised to be \$0 and the Note shall be deemed to be paid and satisfied in-full and (ii) the Intercompany Balance (as defined on Schedule 1.3 hereto) shall be automatically revised to be \$0 and the Intercompany Balance shall be deemed to be paid and satisfied in-full.

1.2 Acquired Assets. In connection with and as a result of the purchase of the Shares by Buyer, subject to the terms and conditions set forth herein and effective upon the Closing, Buyer shall, indirectly through its ownership of the Company, acquire and accept all of the rights, title and interest in and to all of the assets of the Company (collectively, the “**Acquired Assets**”), including, but not limited to those assets set forth on Schedule 1.2 attached hereto.

1.3 Assumed Liabilities. In connection with and as a result of the purchase of the Shares by Buyer, subject to the terms and conditions set forth herein and effective upon the Closing, Buyer shall, indirectly through its ownership of the Company, acquire and accept all of the rights, title and interest in and to all of the liabilities of the Company (collectively, the “**Assumed Liabilities**”), including, but not limited to those liabilities set forth on Schedule 1.3 attached hereto.

2. REPRESENTATIONS AND WARRANTIES OF SELLER

Seller represents and warrants that as of the Closing:

2.1 Title to Shares. As of immediately prior to the Closing, Seller is the owner, beneficially and of record, of all the Shares to be sold by Seller under this Agreement and has good title to all the Shares, free and clear of all liens, encumbrances, security agreements, claims, charges and restrictions other than those imposed by (a) applicable securities laws, and (b) the Company's Bylaws, as may be amended and restated from time to time (the "Bylaws"). Seller has received as of the Closing all consents or waivers necessary to transfer the Shares being sold by Seller to Buyer, and such transfer is not subject to any right of first refusal, preemptive, tag-along or other comparable obligations or restrictions that have not been properly waived or complied with as of the Closing. Upon payment for the Shares in accordance with this Agreement, Seller will, at the Closing, deliver to Buyer stock certificate(s) representing the Shares (if any), accompanied by an Assignment Separate from Certificate duly executed by Seller in the form attached hereto as Exhibit B assigning all of Seller's right, title and interest in and to the Shares.

2.2 Authority and Consents. Seller has the right, power, legal capacity and authority to enter into and perform Seller's obligations under this Agreement, and no approvals or consent of any governmental or regulatory authority or other persons is necessary in connection herewith, other than any that has been properly obtained as of the Closing. This Agreement constitutes the valid and legally binding obligation of Seller, enforceable against Seller in accordance with its terms, except (a) as may be limited by applicable bankruptcy, insolvency, reorganization, or others laws of general application relating to or affecting the enforcement of creditors' rights generally and (b) as may be limited by the effect of rules of law governing the availability of equitable remedies.

2.3 Knowledge of Company's Affairs. Seller has such knowledge and experience such that Seller is capable of evaluating the risks and merits of the sale of the Shares to Buyer pursuant to the terms of this Agreement. Seller has evaluated the merits and risks of selling the Shares on the terms set forth in this Agreement, and is willing to forgo through such sale the potential for future economic gain that might be realized from the continued ownership of the Shares. Seller has considered, without limitation, the opportunity to achieve current liquidity, the risk of holding stock for an uncertain amount of time, the possibility that the Company's stock will achieve liquidity through a public offering or acquisition or otherwise at prices substantially higher than the price to be paid by Buyer in connection with its purchase of the Shares, the Company's financial condition, the Company's rapid growth, the Company's position in its market and the Company's substantial success in commercialization of its new product offerings. Seller has negotiated this Agreement on an arm's-length basis and has had an opportunity to consult with Seller's legal, tax and financial advisors concerning this Agreement and its subject matter. Seller represents that it has not relied on the Company, any Related Parties (as defined below) or Buyer for any information, including without limitation, any information regarding the Company or the value of the Shares, and Seller further acknowledges that except for the express representations and warranties made by Buyer in Section 3, Buyer has not made any representation or warranty to Seller with respect to the transactions contemplated herein, the Company or Buyer. Seller acknowledges that neither Buyer, the Company, nor any of their respective affiliates is acting as a fiduciary or financial or investment adviser to Seller for purposes of the sale of the Shares, and has not given Seller any investment advice, opinion or other information on whether the sale of the Shares is prudent. Seller acknowledges that (a) the Company or the Related Parties currently have, and later may come into possession of further, information with respect to the Company that is not known to Seller and that is material to the valuation of the Company and the Shares and may be material to a decision to enter into the this Agreement ("**Seller Excluded Information**"), (b) Seller has determined to agree to the sale of the Shares notwithstanding its lack of knowledge with regard to the nature of Seller Excluded Information and (c) Seller waives and releases any claims that Seller might have against the Company, or any Related Party, with respect to the nondisclosure of Seller Excluded Information in connection with the sale of the Shares and the transactions contemplated by this Agreement. Seller Excluded Information includes, without limitation, information with respect to the Company's current and forecasted financial and operating performance, information with respect to current and expected products of the Company, information with respect to current or expected customers or partners of the Company and information with respect to current or expected financial events involving the Company such as an outside investment, merger or sale or public offering of the Company's stock. Seller understands that the Company will rely on the accuracy and truth of the foregoing representations, and Seller hereby consents to such reliance. For purposes of this Agreement, "**Related Parties**" shall mean the Company's current and former directors, officers, partners, employees, attorneys, agents, successors, assigns, stockholders, owners, representatives, predecessors, parents, affiliates, associates and subsidiaries and each of their respective affiliates.

2.4 No Conflict. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby will not result in a violation or breach by Seller of, or constitute a default by Seller under, any applicable law, rule or regulation or any agreement, instrument, decree, judgment or order to which Seller is a party or by which Seller may be bound. There is no action, suit, proceeding or investigation pending against Seller or, to Seller's knowledge, currently threatened that questions the validity of this Agreement, or the right of Seller to enter into this Agreement or to consummate the transaction contemplated hereby or that may otherwise have an adverse effect on the ability of Seller to comply with or perform any of its obligations under this Agreement.

2.5 Brokers or Finders. Neither the Company nor Buyer has incurred, nor will incur, directly or indirectly, as a result of any action taken by Seller, any liability for brokerage or finders' fees or agents' commissions or any similar charges in connection with this Agreement.

2.6 No Representations Regarding Company; Contractual Rights Seller is not making any representations or warranties in relation to or on behalf of the Company or regarding the enforceability, after the Closing, of any contractual rights, rights associated with the Shares, or the effectiveness of any purported transfer of such rights.

2.7 Litigation and Government Action. The Seller has no actual knowledge of any claim, litigation, proceeding, investigation or other material governmental action pending or threatened against the Company that might result in any material adverse change in the business or condition of the Company, except as otherwise disclosed in this Agreement or except as is otherwise already known to Buyer.

3. REPRESENTATIONS, WARRANTIES AND COVENANTS OF BUYER

Buyer represents, warrants and covenants that:

3.1 Authority and Consents. Buyer has the right, power, legal capacity and authority to enter into and perform Buyer's obligations under this Agreement, and no approvals or consent of any governmental or regulatory authority or other persons is necessary in connection herewith. This Agreement constitutes the legal, valid and binding obligation of Buyer, enforceable against Buyer in accordance with its terms, except (a) as may be limited by applicable bankruptcy, insolvency, reorganization, or others laws of general application relating to or affecting the enforcement of creditors' rights generally and (b) as may be limited by the effect of rules of law governing the availability of equitable remedies. The address of Buyer's principal place of business is identified on the signature page hereto.

3.2 Purchase Entirely for Own Account. This Agreement is made with Buyer in reliance upon Buyer's representation to the Company and Seller, which by Buyer's execution of this Agreement, Buyer hereby confirms, that the Shares to be acquired by Buyer will be acquired for investment for an indefinite period for Buyer's own account, not as a nominee or agent, and not with a view to the resale or distribution of any part thereof, and that Buyer has no present intention of selling, granting any participation in, or otherwise distributing the same. By executing this Agreement, Buyer further represents that Buyer does not presently have any contract, undertaking, agreement or arrangement with any person to sell, transfer or grant participation to such person or to any third person, with respect to any of the Shares. Buyer has not been formed for the specific purpose of acquiring the Shares. Buyer has acquired sufficient information about the Company to reach an informed and knowledgeable decision to purchase the Shares. Buyer has conducted an independent investigation of the Company and the Shares in making its decision to purchase the Shares and believes it has received all of the information Buyer considers necessary or appropriate for deciding whether to acquire the Shares and has had an opportunity to discuss the Company's business, management, financial affairs and the terms and conditions of the offering of the Shares with the Company's management and Seller. Buyer has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of purchasing the Shares and is able to fend for itself and bear the economic risk of such investment.

3.3 No Registration. Buyer understands that the Shares have not been, and will not be, registered under the Securities Act of 1933, as amended (the “**Securities Act**”), by reason of a specific exemption therefrom, which exemption depends upon, among other things, the bona fide nature of Buyer’s investment intent and the accuracy of Buyer’s representations as expressed herein.

3.4 Restricted Securities. Buyer understands that the Shares are “restricted securities” under applicable U.S. federal and state laws and that, pursuant to these laws, Buyer must hold the Shares indefinitely unless they are registered with the Securities and Exchange Commission and qualified by state authorities, or an exemption from such registration and qualification requirements is available. Buyer acknowledges that the Company has no obligation to register or qualify the Shares for resale. Buyer further acknowledges that if an exemption from registration or qualification is available, it may be conditioned on various requirements including, but not limited to, the time and manner of sale, the holding period for the Shares, and requirements relating to the Company which are outside of Buyer’s control, and which the Company is under no obligation and may not be able to satisfy.

3.5 No Public Market. Buyer understands that no public market now exists for the Shares, and that the Company has made no assurances that a public market will ever exist for the Shares.

3.6 Accredited Investor. Buyer is an accredited investor as defined in Rule 501(a) of Regulation D of the Securities Act.

3.7 Legends; Other Agreements. Buyer understands that the Shares will bear substantially the following legends and such other legends as may be required pursuant to the terms of any shareholder agreements:

“THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 (THE “ACT”) AND MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED, ASSIGNED, PLEDGED OR HYPOTHECATED UNLESS AND UNTIL REGISTERED UNDER THE ACT OR UNLESS THE COMPANY HAS RECEIVED AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY AND ITS COUNSEL THAT SUCH REGISTRATION IS NOT REQUIRED.”

Buyer authorizes the Company to issue stop-transfer instructions to its stock transfer agent or, as long as it acts as its own transfer agent, to make a stop-transfer notation in its appropriate records whenever necessary or appropriate to ensure that Buyer complies with this Agreement, and to the extent applicable, the Bylaws.

3.8 Agreement to be Bound. Buyer hereby agrees to be bound by all rights and obligations in existence with respect to the Shares set forth in the Bylaws and any shareholder agreements (if any).

3.9 No Representations Regarding Company. Buyer (a) is making an informed decision regarding the purchase of the Shares and (b) has independently and without reliance upon the Company or Related Parties, and based on such information and the advice of such advisors as Buyer has deemed appropriate, made its own analysis and decision to enter into this Agreement. Buyer acknowledges that none of the Company nor any Related Parties are acting as fiduciary or financial or investment advisers to Buyer, and have not given Buyer any investment advice, opinion or other information on whether the purchase of the Shares is prudent. Buyer acknowledges that (x) the Company or the Related Parties currently have, and later may come into possession of further, information with respect to the Company that is not known to Buyer and that is material to the valuation of Company and the Shares and may be material to a decision to enter into the this Agreement (“**Buyer Excluded Information**”), (y) Buyer has determined to agree to the purchase of the Shares notwithstanding its lack of knowledge with regard to the nature of Buyer Excluded Information and (z) Buyer waives and releases any claims that it might have against the Company, or any Related Party with respect to the nondisclosure of Buyer Excluded Information in connection with the purchase of the Shares and the transactions contemplated by this Agreement. Buyer Excluded Information includes, without limitation, information with respect to the Company’s current and forecasted financial and operating performance, information with respect to current and expected products of the Company, information with respect to current or expected customers or partners of the Company and information with respect to current or expected financial events involving the Company such as an outside investment, merger or sale or public offering of the Company’s stock. Buyer understands that the Company will rely on the accuracy and truth of the foregoing representations, and Buyer hereby consents to such reliance.

3.10 No Conflict. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby will not result in a violation or breach by Buyer of, or constitute a default by Buyer under, any applicable law, rule or regulation or any agreement, instrument, decree, judgment or order to which Buyer is a party or by which Buyer may be bound. There is no action, suit, proceeding or investigation pending against Buyer or, to Buyer’s knowledge, currently threatened that questions the validity of this Agreement, or the right of Buyer to enter into this Agreement or to consummate the transaction contemplated hereby or that may otherwise have an adverse effect on the ability of Buyer to comply with or perform any of its obligations under this Agreement.

3.11 Brokers or Finders. Seller has not incurred, nor will incur, directly or indirectly, as a result of any action taken by Buyer, any liability for brokerage or finders’ fees or agents’ commissions or any similar charges in connection with this Agreement.

4. COVENANTS

4.1 Post-Closing Licenses.

(a) The parties agree to use commercially reasonable efforts to negotiate and execute a binding license agreement for the non-exclusive use by the Company of the “Korova” brand, including related trademarks and corresponding intellectual property.

(b) While the necessary approvals are pending with the Oregon Liquor and Cannabis Commission and other governmental agencies, Buyer shall operate and maintain the Company’s business and licenses.

4.2 Accounts and Expenses. The parties agree that, immediately following Closing, Buyer will have control of and signing authority for all of the Company’s bank accounts.

4.3 Access to Books and Records. Company shall maintain possession of all of the books, records, and other documents (or, in each case, copies thereof) constituting the Company, the Acquired Assets and the Assumed Liabilities following the Closing Date. From and after the Closing Date, Seller shall have reasonable access to all of such books, records and documents on reasonable advance notice, including the right to make copies and abstracts thereof, for the purposes of (a) preparation or examination of any tax return relating to any period of time that includes periods ending on or prior to the Closing, (b) reconciliation of expenses between the parties, or (c) any actual or threatened litigation against Seller.

4.4 Cooperation on Tax Matters. Following the Closing, the parties shall, upon written request, furnish or cause to be furnished to the other Party, as promptly as practicable, such information and assistance as is reasonably necessary for the preparation and filing of any tax return by such party, claim for refund or other filings relating to tax matters, for the preparation for any tax audit, for the preparation for any tax protest, for the prosecution or defense of any suit or other proceeding, or matters relating to tax matters.

4.5 Further Assurances. Each of the parties agrees to work diligently, expeditiously and in good faith to consummate the transactions contemplated hereby. Following the Closing, the parties shall, and shall cause its affiliates to, execute and deliver or cause to be executed and delivered such additional documents, instruments, conveyances, consents and assurances and take such further actions as may be reasonably required to carry out the provisions hereof, give effect to the transactions and to perfect any interest granted pursuant hereto or thereto.

5. CONDITIONS PRECEDENT TO BUYER'S PERFORMANCE

The obligations of Buyer under this Agreement are subject to the satisfaction, at or before the Closing, of all the following conditions. Buyer may waive any or all of these conditions in whole or in part without prior notice; provided, however, that no such waiver of a condition shall constitute a waiver by Buyer of any of its other rights or remedies, at law or in equity, if Seller shall be in default of any of its representations, warranties or covenants under this Agreement.

5.1 Accuracy of Seller's Representations and Warranties. All representations and warranties of Seller contained in this Agreement shall be true and correct on and as of the Closing Date (as defined below) as though made on and as of that date.

5.2 Performance by Seller. Seller shall have performed, satisfied and complied with all covenants, agreements and conditions required by this Agreement to be performed or complied with by Seller on or before the Closing Date.

6. CONDITIONS PRECEDENT TO SELLER'S PERFORMANCE

The obligations of Seller under this Agreement to Buyer are subject to the satisfaction, at or before the Closing, of all the following conditions by Buyer. Seller may waive any or all of these conditions in whole or in part without prior notice; provided, however, that no such waiver of a condition shall constitute a waiver by Seller of any of its other rights or remedies, at law or in equity, if Buyer shall be in default of any of its representations, warranties or covenants under this Agreement.

6.1 Accuracy of Buyer's Representations and Warranties. All representations and warranties of Buyer contained in this Agreement shall be true and correct on and as of the Closing Date as though made on and as of that date.

6.2 Performance by Buyer. Buyer shall have performed, satisfied and complied with all covenants, agreements and conditions required by this Agreement to be performed, or complied with by Buyer on or before the Closing Date.

7. CLOSING

The closing of the transactions contemplated by this Agreement (the “**Closing**”) shall take place remotely via the exchange of documents and signatures, on the date hereof, or at such other time and place as the parties may agree to in writing. That date is herein called the “**Closing Date**.”

7.1 Obligations of Seller. At the Closing, Seller shall deliver to Buyer stock certificate(s) representing the Shares (if any), accompanied by an Assignment Separate from Certificate duly executed by Seller in the form attached hereto as Exhibit B assigning all of Seller’s right, title and interest in and to the Shares. The Company shall issue to Buyer on the books of the Company or by an electronic certificate representing the Shares, registered in the name of Buyer.

7.2 Obligations of Buyer. At the Closing, subject to Seller’s performance of the conditions set forth herein, Buyer shall deliver to Seller a fully executed copy of the Note in the principal amount equal to the Purchase Price.

8. INDEMNIFICATION.

8.1 Seller Indemnification.

(a) Seller shall, at its own cost, defend, indemnify and hold harmless Buyer and each of Buyer’s officers, directors, employees, and agents (each a “**Buyer Indemnitee**”) from and against any demand, or any civil, criminal, administrative, or investigative claim, action, or proceeding (including arbitration) asserted, commenced or threatened against a Buyer Indemnitee (a “**Buyer Claim**”) regardless of the merit of such Buyer Claim, to the extent that such Buyer Claim is based on any assertion arising out of (i) any breach of Seller’s representations and warranties set forth in this Agreement, (ii) a breach of Seller’s covenants set forth in this Agreement, or (iii) any fraud, gross negligence or willful misconduct of Seller. Seller shall pay all judgments, awards, settlements, liabilities, damages, liens and claims, and all related costs, expenses and other charges suffered or incurred as a result of or in connection with a Buyer Claim as set forth above, including reasonable attorneys’ fees and disbursements, costs of investigation, litigation, settlement and judgment, and any taxes, interest, penalties and fines with respect to any of the foregoing incurred by a Buyer Indemnitee with respect to any Buyer Claim subject to indemnification hereunder.

(b) If any Buyer Claim or action is asserted that would entitle a Buyer Indemnitee to indemnification pursuant to this Section 8.1 (a “**Buyer Proceeding**”), such Buyer Indemnitee will give written notice thereof to the promptly to Seller (and in any event within fifteen (15) calendar days after the service of the citation or summons); provided, however, that the failure of a Buyer Indemnitee to give timely notice hereunder will not affect rights to indemnification hereunder, except to the extent that Seller demonstrates actual legal prejudice by such failure. Seller may elect to direct the defense or settlement of any such Buyer Proceeding by giving written notice to the Buyer Indemnitee, which election will be effective immediately upon receipt by a Buyer Indemnitee of such written notice of election. Seller will have the right to employ counsel reasonably acceptable to the Buyer Indemnitees to defend any such Buyer Proceeding, or to compromise, settle or otherwise dispose of the same, if Seller deems it advisable to do so, all at the expense of Seller; provided that Seller will not settle, or consent to any entry of judgment in, any Buyer Proceeding without obtaining either: (i) an unconditional release of the Buyer Indemnitees from all liability with respect to all claims underlying such Buyer Proceeding; or (ii) the prior written consent of the Buyer Indemnitees. Buyer Indemnitees will not settle, or consent to any entry of judgment, in any Buyer Proceeding without obtaining the prior written consent of Seller. The parties will fully cooperate with each other in any such Buyer Proceeding and will make available to each other any books or records useful for the defense of any such Buyer Proceeding.

8.2 Buyer Indemnification.

(a) Buyer shall, at its own cost, defend, indemnify and hold harmless Seller and each of Seller's officers, directors, employees, and agents (each a "**Seller Indemnitee**") from and against any demand, or any civil, criminal, administrative, or investigative claim, action, or proceeding (including arbitration) asserted, commenced or threatened against a Seller Indemnitee (a "**Seller Claim**") regardless of the merit of such Seller Claim, to the extent that such Seller Claim is based on any assertion arising out of (i) any breach of Buyer's representations and warranties set forth in this Agreement, (ii) a breach of Buyer's covenants set forth in this Agreement, or (iii) any fraud, gross negligence or willful misconduct of Buyer. Buyer shall pay all judgments, awards, settlements, liabilities, damages, liens and claims, and all related costs, expenses and other charges suffered or incurred as a result of or in connection with a Seller Claim as set forth above, including reasonable attorneys' fees and disbursements, costs of investigation, litigation, settlement and judgment, and any taxes, interest, penalties and fines with respect to any of the foregoing ("**Losses**") incurred by a Seller Indemnitee with respect to any Seller Claim subject to indemnification hereunder.

(b) Buyer agrees to specifically indemnify Seller for any Losses arising from or related to the Magee Case (as defined on Schedule 1.3 hereto).

(c) If any Seller Claim or action is asserted that would entitle a Seller Indemnitee to indemnification pursuant to this Section 8.2 (a "**Seller Proceeding**"), such Seller Indemnitee will give written notice thereof to the promptly to Buyer (and in any event within fifteen (15) calendar days after the service of the citation or summons); provided, however, that the failure of a Seller Indemnitee to give timely notice hereunder will not affect rights to indemnification hereunder, except to the extent that Buyer demonstrates actual legal prejudice by such failure. Buyer may elect to direct the defense or settlement of any such Seller Proceeding by giving written notice to the Seller Indemnitee, which election will be effective immediately upon receipt by a Seller Indemnitee of such written notice of election. Buyer will have the right to employ counsel reasonably acceptable to the Seller Indemnitees to defend any such Seller Proceeding, or to compromise, settle or otherwise dispose of the same, if Buyer deems it advisable to do so, all at the expense of Buyer; provided that Buyer will not settle, or consent to any entry of judgment in, any Seller Proceeding without obtaining either: (i) an unconditional release of the Seller Indemnitees from all liability with respect to all claims underlying such Seller Proceeding; or (ii) the prior written consent of the Seller Indemnitees. Seller Indemnitees will not settle, or consent to any entry of judgment, in any Seller Proceeding without obtaining the prior written consent of Buyer. The parties will fully cooperate with each other in any such Seller Proceeding and will make available to each other any books or records useful for the defense of any such Seller Proceeding.

9. RELEASES

9.1 Seller Release.

(a) Seller hereby waives and releases and promises never to assert any claims or causes of action, whether or not now known, against the Company, Buyer and their respective predecessors, successors, or past or present subsidiaries, officers, directors, stockholders, agents, partners, members, managers, employees, assigns, and affiliates thereof from any and all actions, suits, claims, demands, debts, sums of money, accounts, reckonings, bonds, bills, covenants, contracts, controversies, promises, judgments, liabilities or obligations of any kind whatsoever in law or equity and causes of action of every kind and nature, or otherwise (including, without limitation, claims for damages, costs, expenses, and attorneys', brokers' and accountants' fees and expenses) arising out of or in connection with the sale of the Shares and the transactions contemplated by this Agreement existing or arising on or prior to the Closing (other than in connection with enforcing the terms of this Agreement and, with respect to Buyer, for a breach of this Agreement by Buyer) (the "**Seller Released Claims**").

(b) Seller expressly acknowledges and agrees that the provisions of this Section 9.1 shall be effective as a full and final accord and satisfaction and general release of all Seller Released Claims, whether known or unknown, against Buyer and the Company.

9.2 Buyer Release.

(a) Buyer hereby waives and releases and promises never to assert any claims or causes of action, whether or not now known, against the Company, Seller and their respective predecessors, successors, or past or present subsidiaries, officers, directors, stockholders, agents, partners, members, managers, employees, assigns, and affiliates thereof from any and all actions, suits, claims, demands, debts, sums of money, accounts, reckonings, bonds, bills, covenants, contracts, controversies, promises, judgments, liabilities or obligations of any kind whatsoever in law or equity and causes of action of every kind and nature, or otherwise (including, without limitation, claims for damages, costs, expenses, and attorneys', brokers' and accountants' fees and expenses) arising out of or in connection with the purchase of the Shares and the transactions contemplated by this Agreement existing or arising on or prior to the Closing (other than in connection with enforcing the terms of this Agreement and, with respect to Seller, for a breach of this Agreement by Seller) (the "**Buyer Released Claims**").

(b) Seller expressly acknowledges and agrees that the provisions of this Section 9.2 shall be effective as a full and final accord and satisfaction and general release of all Seller Released Claims, whether known or unknown, against Buyer and the Company.

10. MISCELLANEOUS

10.1 Effect of Headings. The subject headings of the sections of this Agreement are included for convenience only and shall not affect the construction or interpretation of any of its provisions.

10.2 Entire Agreement; Modification; Waiver. This Agreement, together with all Exhibits hereto which are made a part hereof, constitutes the entire agreement between the parties pertaining to its subject matter, and supersedes, merges and voids all prior and contemporaneous agreements, representations and understandings of the parties with respect thereto, whether written or oral. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing by all of the parties. No waiver of any of the provisions of this Agreement shall be deemed, or shall constitute, a waiver of any other provision, whether or not similar, nor shall any waiver constitute a continuing waiver unless it expressly provides such by its terms. No waiver shall be binding unless executed in writing by the party making the waiver.

10.3 No Reliance. Except as expressly set forth in Sections 2 and 3 of this Agreement, neither Buyer, Seller nor any of their agents, employees or representatives have made, nor are any of them making, any representation or warranty, written or oral, express or implied, including any representations and warranties about the accuracy or completeness of any information or documents previously provided, and any such other representations or warranties are hereby expressly disclaimed. Each of Buyer and Seller expressly acknowledges and agrees that neither it nor any of its agents, employees or representatives is relying on any other representation or warranty of or made by Seller or Buyer, as the case may be, or any of its agents, employees or representatives, including regarding the accuracy or completeness of any representations and warranties, or the omission of any material information, whether written or oral, express or implied. Buyer and Seller further agree that neither the Company, nor any of its agents, employees or representatives have made, nor are any of them making any representation or warranty, written or oral, express or implied, including any representations and warranties about the accuracy or completeness of any information or documents previously provided, and any such representations or warranties are hereby expressly disclaimed. Each of Buyer and Seller expressly acknowledges and agrees that neither it nor any of its agents, employees or representatives is relying on any representation or warranty of or made by the Company, or any of its agents, employees or representatives, including regarding the accuracy or completeness of any representations and warranties or the omission of any material information, whether written or oral, express or implied.

10.4 Counterparts. This Agreement may be executed and delivered by facsimile signature and in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Counterparts may be delivered via facsimile, electronic mail (including pdf or any electronic signature complying with the U.S. federal E-SIGN Act of 2000, Uniform Electronic Transactions Act or other applicable law) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

10.5 Assignment. This Agreement shall be binding on, and shall inure to the benefit of the parties and their respective heirs, legal representatives, successors and assigns.

10.6 Notices. All notices, requests, demands and other communications under this Agreement shall be in writing, addressed to the respective party or parties as set forth on the signature pages of this Agreement, and shall be deemed to have been duly given on the date of service if served personally on the party to whom notice is to be given or by facsimile or email receipt acknowledged. Any party may change its address for purposes of this Section 10.6 by giving the other parties written notice of the new address in the manner set forth above. If no facsimile number or email address is listed for notices on the signature pages of this Agreement for a party, notices and communications given or made by facsimile or email shall not be deemed effectively given to such party.

10.7 Governing Law. This Agreement shall be governed by and construed according to the laws of the State of Oregon without respect to the conflicts of law provisions thereof. With respect to any particular action, suit or proceeding, venue shall lie solely in Multnomah County, Oregon.

10.8 Severability. If any provision of this Agreement is held invalid or unenforceable by any court of final jurisdiction, it is the intent of the parties that all other provisions of this Agreement be construed to remain fully valid, enforceable and binding on the parties.

10.9 Survival of Representations and Warranties. The representations and warranties made by Seller and Buyer contained in or made pursuant to this Agreement shall survive the execution and delivery of this Agreement and the Closing.

10.10 Expenses. Each party shall pay the expenses and costs incurred by it incidental to the preparation of this Agreement, the performance and compliance with all agreements contained in this Agreement to be performed or complied with by them and the consummation of the transactions contemplated hereby.

10.11 Specific Enforcement. Notwithstanding anything to the contrary set forth herein, it is agreed and understood that monetary damages would not adequately compensate an injured party hereto for the breach of this Agreement by any other party hereto, that this Agreement shall be specifically enforceable, and that any breach or threatened breach of this Agreement shall be the proper subject of a temporary or permanent injunction or restraining order. Further, each party hereto waives any claim or defense that there is an adequate remedy at law for such breach or threatened breach.

10.12 Confidentiality. Each of Buyer and Seller shall (a) keep the contents of this Agreement confidential (including the fact that a transaction occurred and the identities of the parties hereto) and (b) not disclose such information to any other person or entity, including by way of press release, public announcement or description of the transaction in any marketing documents, except that Buyer or Seller may disclose any provision of this Agreement (and the fact that a transaction occurred and the identities of the parties thereto) (i) as may be required by applicable law, regulation, regulatory authority or legal process, (ii) to its financial, tax and legal advisors and (iii) to its affiliates, partners, former partners, managers, members or managing members.

(Signature pages follow.)

IN WITNESS WHEREOF, the parties to this Agreement have duly executed it as of the day and year first above written.

COMPANY:

LTRMN, INC.

By: /s/ Sabas Carrillo
Name: Sabas Carrillo _____
Title: Authorized Representative _____
Email: scarrillo@unrivaledbrands.com

SIGNATURE PAGE TO STOCK PURCHASE AND SALE AGREEMENT

IN WITNESS WHEREOF, the parties to this Agreement have duly executed it as of the day and year first above written.

SELLER:

UMBRLA, INC.

By: /s/ Sabas Carrillo

Name: Sabas Carrillo

Title: Authorized Representative

Address:

Email:

SIGNATURE PAGE TO STOCK PURCHASE AND SALE AGREEMENT

IN WITNESS WHEREOF, the parties to this Agreement have duly executed it as of the day and year first above written.

BUYER:

BUCHANAN GROUP, LLC

By: /s/ Colin Landforce

Name: Colin Landforce

Title: Manager

Address:

Email:

SIGNATURE PAGE TO STOCK PURCHASE AND SALE AGREEMENT

SCHEDULE 1.2
ACQUIRED ASSETS

1. Wholesale Cannabis License #1014865EAE6
2. Retail Cannabis Delivery License #10182979513
3. All existing inventory (\$151,000 as of 10/31/22)
4. All accounts Receivable (\$474,000 as of 10/31/22)
5. All prepayments (\$0 as of 10/31/22)
6. LTRMN brand intellectual property
7. Email and Drive Archives for all Portland employees
8. LTRMN related profiles and accounts
9. All LTRMN packaging die lines and templates
10. All LTRMN media and marketing materials
11. LTRMN Inc Zoho Tenant Org ID 660383365
12. Zoho customizations and custom applications
13. All past sales data for LTRMN Inc
14. OLCC license 060-1014865EAE6
15. Pending OLCC license 050-10182979513

Domain Names:

1. LTRMN.com
2. itmeansplenty.com

SCHEDULE 1.3

ASSUMED LIABILITIES

1. All in intercompany balances owed to Seller (\$500,000 as of 10/31/22) (the **“Intercompany Balance”**)
2. All Accounts Payable (\$1,777,000 as of 10/31/22 (includes Accrued Expenses)
3. All PPP Loan Liability (\$296,700 as of 10/31/22)
4. All Rental Lease Liabilities (\$12,000 per month as of 10/31/22)
5. All Federal Income Tax Liability ((\$148,000 as of 10/31/22))
6. All Oregon Income Tax Liability (\$66,000 as of 10/31/22)
7. All City Tax Liability (\$40,000 as of 10/31/22)
8. All Liabilities and exposure relating to any active lawsuits, including but not limited:
 - a. **MAGEE V. UMBRLA, INC.** (the **“Magee Case”**)
 - b. PWC, LLC
 - c. Boring Glory, LLC

EXHIBIT A
SECURED PROMISSORY NOTE

EXHIBIT B

ASSIGNMENT SEPARATE FROM CERTIFICATE

FOR VALUE RECEIVED and pursuant to that certain Stock Purchase and Sale Agreement by and among LTRMN, Inc., a Oregon corporation (the "**Company**"), the undersigned ("**Transferor**"), and Buchanan Group, LLC, an Oregon limited liability company ("**Buyer**") dated as of December 28, 2022, Transferor hereby sells, assigns and transfers unto Buyer 500,000 shares of the Common Stock of the Company (the "**Shares**"), standing in Transferor's name on the Company's books, and does hereby irrevocably constitute and appoint LTRMN, Inc. to transfer said Shares on the books of the Company with full power of substitution in the premises.

Dated: December 28, 2022

TRANSFEROR:

UMBRLA, INC.

By: /s/ Sabas Carrillo

Name: Sabas Carrillo

Title: Authorized Representative

THIS SECURED PROMISSORY NOTE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE SECURITIES LAWS OF ANY STATE AND MAY NOT BE SOLD, TRANSFERRED, PLEDGED, HYPOTHECATED, OR OTHERWISE DISPOSED OF EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER SUCH ACT AND APPLICABLE STATE SECURITIES LAWS OR PURSUANT TO AN APPLICABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF SUCH ACT AND SUCH LAWS.

SECURED PROMISSORY NOTE

Principal Amount: \$250,000.00

Issue Date: December 28, 2022

In consideration of the Purchase Price pursuant to the terms of that certain Stock Purchase and Sale Agreement, dated as of December 28, 2022 (the "**Purchase Agreement**"), by and among LTMRN, Inc. (the "**Company**"), Buchanan Group, LLC, an Oregon limited liability company (the "**Borrower**"), and UMBRLA, Inc. ("**Lender**"), Borrower hereby promises to pay to the order of Lender in lawful money of the United States at such address as Lender may designate in writing, the principal sum of TWO HUNDRED FIFTY THOUSAND and NO/100 DOLLARS (\$250,000.00), together with interest on so much of the balance of this Secured Promissory Note (this "**Note**") as may be outstanding and unpaid from time to time, calculated on the basis of a 365-day year and actual days elapsed, at a rate of eight percent (8%) simple interest per annum.

1. **Principal and Interest Payments.** The outstanding principal balance of this Note, together with all accrued but unpaid interest thereon, shall be due and payable on the third anniversary of the Issue Date set forth above (the "**Maturity Date**"). The outstanding principal balance of this Note shall bear interest from the Issue Date until repayment of this Note in full, and interest payments shall be due on the Maturity Date.

2. **Amortization Schedule.** Without limiting the terms of this Note, beginning on the second anniversary of the Issue Date, Borrower agrees to pay to Lender an amount equal to \$20,833.33 on each one-month anniversary of the Issue Date (the "**Mandatory Prepayment**"). The Mandatory Prepayment shall be applied first against accrued interest and, thereafter, against the outstanding principal balance hereunder. The remaining balance of all outstanding principal shall be due in full on the Maturity Date, as set forth above.

3. **Voluntary Prepayment.** Principal or interest may be paid by Borrower at any time following the Issue Date and prior to the Maturity Date, without penalty or premium (a "**Prepayment**"). Any Prepayment shall be applied first against accrued interest and, thereafter, against the outstanding principal balance hereunder.

4. **Security Interest.**

(a) **Grant of Security Interest.** Borrower hereby pledges and grants to Lender as collateral security for Borrower's prompt performance, observance and indefeasible payment and performance in full of the Note when due (whether at the stated maturity, by acceleration or otherwise), a first priority security interest in (i) all of Borrower's right, title and interest in and to all of Borrower's equity interests in the Company, including, but not limited to the Shares (as defined in the Purchase Agreement), and any other ownership interests now held or hereafter acquired by Borrower at any time, and (ii) all assets of the Company, including, but not limited to, all equipment, inventory, accounts, receivables, cash, leases, licenses, intellectual property, intangibles, claims, securities and all other investment property and financial assets, whether now owned or hereafter acquired, wherever located (collectively, the "**Collateral**"). The Borrower further agrees that any proceeds or payments related to the Collateral shall be used first to repay this Note and shall not be used for any other purpose until this Note is satisfied in full.

(b) Rights and Remedies on Event of Default

i. Upon and during the continuance of an Event of Default (as defined below), Lender shall have the right to exercise any and all rights and remedies hereunder or under applicable law. Without limiting the generality of the foregoing, Lender shall have the right to seize, sell or otherwise dispose of all or any part of the Collateral, either at public or private sale, in lots or in bulk, for cash or for credit, with or without warranties or representations, and upon such terms and conditions, all as Lender may deem advisable, and Lender shall have the right to purchase at any such sale. Lender shall provide Borrower at least ten (10) days' prior notice before the time of any intended sale or other disposition of the Collateral is to be made and Borrower hereby agrees that ten (10) days shall be reasonable notice of any such sale or other disposition. The proceeds of any such sale, or other Collateral disposition, shall be applied: first, to the expenses of retaking, holding, storing, processing and preparing for sale, selling, and the like; second, to Lender in satisfaction of the then unpaid principal and interest under this Note; and third, to Borrower or as otherwise required by law. If, upon the sale or other disposition of the Collateral, the proceeds thereof are insufficient to pay all amounts to which Lender is legally entitled, Borrower shall be liable for the deficiency, together with interest thereon at the rates set forth in this Note; provided, however, that the foregoing shall not be deemed to require Lender to resort to or initiate proceedings against the Collateral prior to the collection of any such deficiency from Borrower.

ii. Without limiting the generality of the foregoing, Lender shall have the right to transfer to, or register in the name of, Lender or its nominee any or all of the Collateral. Concurrently with the execution and delivery of this Note, Borrower shall deliver to Lender an assignment of interests endorsed by Borrower in blank (an "**Assignment of Interests**"), in the form set forth on Exhibit A hereto, for the Shares, transferring all of the Shares in blank, duly executed by Borrower and undated. Lender shall have the right, upon the occurrence of an Event of Default, to transfer to, and to designate on a the Assignment of Interests, any person to whom the Shares are sold in accordance with the provisions of this Agreement.

5. Default.

(a) The occurrence of any one or more of the following events will constitute a default by Borrower hereunder (each, an "**Event of Default**"):

i. Borrower fails to pay any Mandatory Prepayment in accordance with the terms of this Note and such Mandatory Prepayment remains uncured for a period of three (3) days or more following written notice from Lender to Borrower;

ii. Borrower fails to pay on the Maturity Date the full amount of interest then accrued on this Note or the full amount of any principal on this Note and such failure remains uncured for a period of three (3) days or more following written notice from Lender to Borrower;

iii. Borrower makes an assignment for the benefit of creditors, or any proceeding is instituted by or against Borrower alleging that Borrower is insolvent, unable to pay its debts as they mature, or not generally paying its debts as such debts become due, or any proceeding is instituted by or against Borrower under the Federal Bankruptcy Code or any successor statute, or any proceeding is instituted seeking the appointment of a receiver or trustee for all or any portion of Borrower's property or assets, or if any proceeding affecting the rights of creditors generally is instituted by or against Borrower;

iv. Any breach of the representations and warranties set forth in Section 6 hereof; or

v. Any attempted sale, transfer or encumbrance of the Collateral.

(b) Upon the occurrence and during the continuation of an Event of Default, Lender, without demand or notice of any kind, may declare this Note immediately due and payable by providing written notice to Borrower (except with respect to any Event of Default set forth in Section 5(a)(iii), in which case this Note shall automatically become immediately due and payable without the necessity of any notice or other demand), whereupon all outstanding principal and accrued interest shall become immediately due and payable. A delay by Lender in exercising any right of after an Event of Default shall not constitute a waiver of the default or any other right or remedy for such default.

(c) In addition to the foregoing, upon the occurrence of an Event of Default, Lender shall have the right to exercise all other remedies available to it in law or in equity. No right or remedy conferred upon or reserved to Lender hereunder or now or hereafter existing at law or in equity is intended to be exclusive of any other right or remedy, and each and every such right or remedy shall be cumulative and concurrent, and in addition to every other such right or remedy, and may be pursued singly, concurrently, successively or otherwise, at the sole discretion of Lender, and shall not be exhausted by any one exercise thereof but may be exercised as often as occasion therefor shall occur.

6. Representations and Warranties of Borrower. The Borrower represents and warrants to the Lender as of the Issue Date as follows:

(a) Authorization. The Borrower has all authority necessary for the authorization, execution, delivery and performance of this Note by the Borrower and the performance of the Borrower's obligations hereunder. The Note when executed and delivered by the Borrower, shall constitute valid and binding obligations of the Borrower enforceable in accordance with their terms, subject to laws of general application relating to bankruptcy, insolvency, the relief of debtors and, with respect to rights to indemnity, subject to federal and state securities laws.

(b) Compliance with Other Instruments. The Borrower is not in violation or default of any provision of any mortgage, indenture or contract to which it is a party and by which it is bound or of any judgment, decree, order or writ, other than such violations that would not individually or in the aggregate have a material adverse effect on the Borrower. The execution, delivery and performance of the Note, and the consummation of the transactions contemplated by the Note will not result in any such violation or be in conflict with, or constitute, with or without the passage of time and giving of notice, either a default under any such provision, instrument, judgment, decree, order or writ or an event that results in the creation of any lien, charge or encumbrance upon any assets of the Borrower or the suspension, revocation, impairment, forfeiture, or nonrenewal of any material permit, license, authorization or approval applicable to the Borrower.

7. Full Recourse Note; Personal Guarantee. THIS IS A FULL RECOURSE NOTE. Accordingly, and even though Borrower's obligations under this Note are secured by the Collateral, upon an Event of Default, Lender shall have full recourse to all the other assets of Borrower. Moreover, Lender shall not be required to proceed against or exhaust any specific Collateral before Lender pursues any other remedies against Borrower, against any of those assets or against any guarantor. For the avoidance of doubt, in addition to and without limiting the other remedies set forth in this Note, Borrower hereby personally guarantees the prompt, full and complete performance of the duties, obligations and indebtedness of Borrower to Lender, as set forth in this Note, including the payment of any principal and accrued interest upon an Event of Default.

8. Full Payment. All amounts payable under this Note shall be paid in full without setoff, deduction or counterclaim. All amounts payable under this Note shall be free and clear of and without any deduction or withholding for or on account of any taxes, levies, duties, charges, fees, restrictions or conditions of any nature now or hereafter imposed by any federal, state, country or local government or any political subdivision or taxing authority thereof or therein. Borrower shall indemnify Lender against any such taxes, levies, imposts, duties, charges and fees (other than taxes on the income of Lender imposed by any taxing authority) which may be assessed against Lender or claimed or demanded from Lender in respect of any amount payable by Borrower hereunder, and against any costs, charges, expenses or liability arising out of or in respect of such assessment, claim or demand, to the full extent permitted by law.

9. Power of Attorney. Effective only upon the occurrence and during the continuance of an Event of Default, Borrower hereby irrevocably appoints Lender as Borrower's true and lawful attorney to: (a) dispose of any Collateral; (b) endorse Borrower's name on any checks or other forms of payment or security that may come into Lender's possession in connection with such Collateral; and (c) file, in its sole discretion, one or more financing or continuation statements and amendments thereto, relative to any of the Collateral. The appointment of Lender as Borrower's attorney in fact, and each and every one of Lender's rights and powers, being coupled with an interest, is irrevocable until this Note has been fully repaid and performed.

10. Attorneys' Fees. In the event any suit or action is brought by Lender under this Note to enforce any of its terms, or in any appeal therefrom, it is agreed that the Lender shall be entitled to recover its costs and expenses, including but not limited to reasonable attorneys' fees and costs, from the Borrower.

11. Savings Clause. In no event shall the amount or rate of interest due and payable under this Note exceed the maximum amount or rate of interest allowed by applicable law, and, in the event any such excess payment is made by Borrower or received by Lender, such excess sum shall be credited as a payment of principal (or if no principal shall remain outstanding, shall be refunded to Borrower). It is the express intent of the parties that Borrower not pay and Lender not receive, directly or indirectly or in any manner, interest in excess of that which may be lawfully paid under applicable law.

12. Waiver. Demand, presentment, notice, notice of demand, notice for payment, protest and notice of dishonor are hereby waived by Borrower. Lender shall not be deemed to waive any of its rights under this Note unless such waiver is in writing and signed by Lender. No delay or omission by Lender in exercising any of its rights under this Note shall operate as a waiver of such rights, and a waiver in writing on one occasion shall not be construed as a consent to or a waiver of any right or remedy on any future occasion.

13. Assignment or Transfer. Lender shall have the right to assign, either directly or indirectly, all or any portion of his rights or interest under this Note to any individual or entity without the prior written consent of Borrower.

14. Business Days; Cancellation. If any payment is due on a day which is a Saturday, Sunday or legal holiday in the State of Delaware, the payment shall be due and payable on the next business day immediately following such Saturday, Sunday or legal holiday, and interest shall continue to accrue at the required rate hereunder until any such payment is made. After all principal and accrued interest at any time owed on this Note has been paid in full, this Note shall be surrendered to Borrower for cancellation and shall not be reissued.

15. Amendment. This Note may be amended or modified only with the written consent of Borrower and Lender.

16. MUTUAL WAIVER OF JURY TRIAL. EACH OF THE UNDERSIGNED ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY WHICH MAY ARISE UNDER THIS NOTE IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES, AND THEREFORE, EACH OF THE UNDERSIGNED HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT SUCH PARTY MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS NOTE, OR THE TRANSACTIONS CONTEMPLATED BY THIS NOTE. EACH OF THE UNDERSIGNED CERTIFIES AND ACKNOWLEDGES THAT (A) NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER, (B) EACH OF THE UNDERSIGNED UNDERSTANDS AND HAS CONSIDERED THE IMPLICATIONS OF THIS WAIVER, (C) EACH OF THE UNDERSIGNED MAKES THIS WAIVER VOLUNTARILY AND (D) EACH OF THE UNDERSIGNED HAS BEEN INDUCED TO EXECUTE THIS NOTE BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

17. Governing Law; Waiver; Service. This Note shall be governed by and construed in accordance with the laws of the State of Oregon without reference to the conflicts of law principles thereof. To the extent that any party has or hereafter may acquire any immunity from jurisdiction of any court or from any legal process (whether through service or notice, attachment prior to judgment, attachment in aid of execution, execution or otherwise) with respect to itself or its property, each of the undersigned hereby irrevocably waives such immunity in respect of its obligations under this Note. Without limiting any of the foregoing, each of the undersigned agrees that service of any process, summons or notice of document in any action suit or proceeding with respect to the subject matter hereof may be served on it anywhere in the world.

18. Severability. If any provision of this Note is held invalid or unenforceable by any court of competent jurisdiction, the other provisions of this Note will remain in full force and effect. Any provision of this Note held invalid or unenforceable only in part or degree will remain in full force and effect to the extent not held invalid or unenforceable.

19. Miscellaneous. Words importing the singular number hereunder shall include the plural number and vice versa, and any pronoun used herein shall be deemed to cover all genders. The headings as to contents of particular Sections are inserted only for convenience and are in no way to be construed as part of this Note. All obligations of Borrower hereunder shall bind Borrower's successors and assigns.

20. Magee Case. Upon a final and binding settlement of the Magee Case (as defined in the Purchase Agreement) that is approved by Lender, the Principal Amount of the Note shall be automatically revised to be \$0 and the Note shall be deemed to be paid and satisfied in-full.

21. Notices. All notices, consents and other communications hereunder shall be sufficiently given for any purpose hereunder only if in writing and delivered personally, by electronic mail receipt confirmed in writing, by certified mail return receipt requested, or sent pre-paid by nationally-recognized overnight delivery service for next business day delivery, to the appropriate address as set forth on the signature pages hereto. Each such notice, consent or other communication shall be effective when received by the addressee thereof in the case of personal service, three days after the date of mailing, or, if sent by overnight delivery service as described herein, the next business day after deposit with such service.

22. Counterparts; Delivery. This Note may be executed in counterparts, including by electronic signature or PDF, each of which shall be deemed an original and all of which, when taken together, shall be deemed to be one instrument and shall be treated in all manner and respects as an original agreement or instrument and shall be considered to have the same binding legal effect as if it were the original signed version thereof delivered in person.

[Signature page follows.]

IN WITNESS WHEREOF, the undersigned have caused this Secured Promissory Note to be executed effective as of the date set forth above.

BORROWER:

BUCHANAN GROUP, LLC

By: /s/ Colin Landforce

Name: Colin Landforce

Title: Manager

Address:

ACKNOWLEDGED AND AGREED BY LENDER:

UMBRLA, INC.

By: /s/ Sabas Carrillo

Name: Sabas Carrillo

Title: Authorized Representative

Address:

ACKNOWLEDGED AND AGREED BY COMPANY:

LTRMN, INC.

By: /s/ Sabas Carrillo

Name: Sabas Carrillo

Title: Authorized Representative

Address:

EXHIBIT A

ASSIGNMENT OF INTERESTS

THIS ASSIGNMENT OF INTERESTS (this “**Assignment**”) dated as of December 28, 2022 (the “**Effective Date**”), made by UMBRLA, Inc., a Nevada corporation (the “**Assignor**”) to Buchanan Group, LLC, an Oregon limited liability company (the “**Assignee**”).

RECITALS

WHEREAS, the Assignor has entered into that certain Secured Promissory Note, dated as of December 28, 2022 (such agreement, as it may be amended or otherwise modified from time to time, the “**Note**”), in favor of UMBRLA, Inc. (“**Lender**”). Unless otherwise noted, terms used herein shall have the meanings defined in the Note.

WHEREAS, the Assignor is the holder of 500,000 shares of the common stock (the “**Shares**”) of LTRMN, Inc. (“**Company**”), representing 100% of the outstanding equity securities of Company as of the date of the Note.

WHEREAS, Lender has required that the Assignor execute and deliver this Assignment as additional security for the Note.

AGREEMENT

NOW THEREFORE, in consideration of the premises and of the mutual covenants and agreements contained herein, Assignor and Assignee hereto agree as follows:

1. **Assignment and Acceptance of Interest.** As of the Effective Date, the Assignor hereby sells, transfers, conveys and assigns (without recourse and, except as set forth herein, representation or warranty) to Assignee all of Assignor’s right, title and interest in and to the Shares representing 100 percent (100%) of the aggregate issued and outstanding equity securities of Company (collectively, the “**Assigned Interest**”).

2. **Representations and Warranties of the Assignor.** The Assignor represents to Assignee as of the date of this Assignment and as of the Effective Date, that:

(a) This Assignment has been duly executed and delivered by Assignor and is a valid and binding obligation of Assignor, enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency and similar laws affecting rights of creditors generally, and general principles of equity; and

(b) Assignor is the sole owner of the Assigned Interest free and clear of any liens, except for the liens created hereby.

3. **Future Assurances.** Each of the Assignor and the Assignee mutually agrees to cooperate at all times from and after the date hereof with respect to any of the matters described herein, and to execute such further deeds, bills of sale, assignments, releases, assumptions, notifications or other documents as may be requested for the purpose of giving effect to, evidencing or giving notice of the assignment evidenced hereby.

4. **Successors and Assigns.** This Assignment shall be binding upon, and shall inure to the benefit of, the parties hereto and their respective heirs, legal representatives, successors and assigns.

5. **Modification and Waiver.** No supplement, modification, waiver or termination of this Assignment or any provisions hereof shall be binding unless executed in writing by all parties hereto and the original of such writing has been delivered to Assignee.

6. **Counterparts.** Any number of counterparts of this Assignment may be executed. Each counterpart will be deemed to be an original instrument and all counterparts taken together will constitute one agreement. Delivery of an executed counterpart of a signature page to this Assignment by e-mail shall be as effective as delivery of a manually executed counterpart of this Assignment.

7. **Governing Law.** This Assignment will be governed by the laws of the State of Oregon.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have caused this Assignment to be executed and delivered.

ASSIGNOR:

By: /s/ Sabas Carrillo

Name: Sabas Carrillo

Title: Authorized Representative

ASSIGNEE:

By: /s/ Colin Landforce

Name: Colin Landforce

Title: Manager

MEMBERSHIP INTEREST PURCHASE AND SALE AGREEMENT

This Membership Interest Purchase and Sale Agreement (this “**Agreement**”) is made as of December 28, 2022, by and among Joseph Gerlach (“**Buyer**”) and Unrivaled Brands, Inc., a Nevada corporation (“**Seller**”). The Seller and Buyer may each be referred to herein as a “Party” and, collectively, as the “Parties”.

RECITALS

WHEREAS, Seller is the record holder of a 50% membership interest (the “**Membership Interest**”) in Psychonaut Oregon, LLC, an Oregon limited liability company (the “**Company**”) Company; and

WHEREAS, Seller desires to sell the entirety of its Membership Interest in the Company to Buyer and Buyer desires to acquire the entirety of Seller’s Membership Interest in the Company, pursuant to the terms and conditions set forth herein.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises contained herein and for good and valuable consideration, the sufficiency of which is hereby acknowledged, the parties agree as follows:

1. SALE AND TRANSFER OF MEMBERSHIP INTEREST

1.1 Purchase and Sale of Membership Interest. Contemporaneously with the signing and delivery of this Agreement (the “Closing”), Buyer will buy the Membership Interest from Seller and Seller will sell the Membership Interest to Buyer.

1.2 Purchase Price. The total purchase price for the Membership Interest is ONE Dollar (\$1.00).

1.3 Closing. Contemporaneously with the signing and delivery of this Agreement:

(a) Seller will deliver to Buyer an Assignment of Membership Interest endorsed to Buyer, in form and substance reasonably satisfactory to Buyer.

(b) Buyer will pay the Purchase Price for the Membership Interest.

1.4 Acquired Assets. In connection with and as a result of the purchase of the Membership Interest by Buyer, subject to the terms and conditions set forth herein and effective upon the Closing, Buyer shall, indirectly through its ownership of the Company, acquire and accept all of the rights, title and interest in and to all of the assets of the Company (collectively, the “**Acquired Assets**”).

1.5 Assumption of Liabilities. Buyer hereby accepts the transfer of the rights and interests associated with Seller’s Membership Interest and hereby expressly assumes all liabilities and obligations pertaining to the Seller’s Membership Interest as of, and following, the Closing Date hereof.

2. REPRESENTATIONS AND WARRANTIES OF SELLER

Except for the express representations and warranties in this Agreement, Seller expressly excludes all warranties with respect to the purchase and sale of the Membership Interest provided for in this Agreement, express and implied. Seller represents and warrants to Buyer as follows:

2.1 Title to Membership Interest. Seller has good title to the Membership Interest, free from all liens, mortgages, pledges, security interests, and other encumbrances. Contemporaneously with the Closing, Seller will deliver to Buyer an Assignment of Membership Interest endorsed to Buyer, in form and substance reasonably satisfactory to Buyer and annexed hereto as Exhibit A.

2.2 Authority and Consents. Seller has the right, power, legal capacity and authority to enter into and perform Seller's obligations under this Agreement, and no approvals or consent of any governmental or regulatory authority or other persons is necessary in connection herewith, other than any that has been properly obtained as of the Closing. This Agreement constitutes the valid and legally binding obligation of Seller, enforceable against Seller in accordance with its terms, except (a) as may be limited by applicable bankruptcy, insolvency, reorganization, or other laws of general application relating to or affecting the enforcement of creditors' rights generally and (b) as may be limited by the effect of rules of law governing the availability of equitable remedies.

2.3 Sophistication. Seller has the knowledge and experience in financial and business matters necessary to make Seller capable of evaluating the merits and risks of selling the Membership Interest.

2.4 Knowledge of Company's Affairs. Seller has such knowledge and experience such that Seller is capable of evaluating the risks and merits of the sale of its Membership Interest to Buyer pursuant to the terms of this Agreement. Seller has evaluated the merits and risks of selling the Membership Interest on the terms set forth in this Agreement, and is willing to forgo through such sale the potential for future economic gain that might be realized from the continued ownership of the Membership Interest. Seller has considered, without limitation, the opportunity to achieve current liquidity, the risk of holding equity for an uncertain amount of time, the possibility that the Company's equity will achieve liquidity through a public offering or acquisition or otherwise at prices substantially higher than the price to be paid by Buyer in connection with its purchase of the Membership Interest, the Company's financial condition, the Company's rapid growth, the Company's position in its market and the Company's substantial success in commercialization of its new product offerings. Seller has negotiated this Agreement on an arm's-length basis and has had an opportunity to consult with Seller's legal, tax and financial advisors concerning this Agreement and its subject matter. Seller represents that it has not relied on the Company, any Related Parties (as defined below) or Buyer for any information, including without limitation, any information regarding the Company or the value of the Membership Interest, and Seller further acknowledges that except for the express representations and warranties made by Buyer in Section 3, Buyer has not made any representation or warranty to Seller with respect to the transactions contemplated herein, the Company or Buyer. Seller acknowledges that neither Buyer, the Company, nor any of their respective affiliates is acting as a fiduciary or financial or investment adviser to Seller for purposes of the sale of the Membership Interest, and has not given Seller any investment advice, opinion or other information on whether the sale of the Membership Interest is prudent. Seller acknowledges that (a) the Company or the Related Parties currently have, and later may come into possession of further, information with respect to the Company that is not known to Seller and that is material to the valuation of the Company and the Membership Interest and may be material to a decision to enter into the this Agreement ("**Seller Excluded Information**"), (b) Seller has determined to agree to the sale of the Membership Interest notwithstanding his lack of knowledge with regard to the nature of Seller Excluded Information and (c) Seller waives and releases any claims that Seller might have against the Company, or any Related Party, with respect to the nondisclosure of Seller Excluded Information in connection with the sale of the Membership Interest and the transactions contemplated by this Agreement. Seller Excluded Information includes, without limitation, information with respect to the Company's current and forecasted financial and operating performance, information with respect to current and expected products of the Company, information with respect to current or expected customers or partners of the Company and information with respect to current or expected financial events involving the Company such as an outside investment, merger or sale or public offering of the Company's equity securities. Seller understands that the Company will rely on the accuracy and truth of the foregoing representations, and Seller hereby consents to such reliance. For purposes of this Agreement, "**Related Parties**" shall mean the Company's current and former directors, officers, partners, employees, attorneys, agents, successors, assigns, stockholders, owners, representatives, predecessors, parents, affiliates, associates and subsidiaries and each of their respective affiliates.

2.5 (d) No Conflict. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby will not result in a violation or breach by Seller of, or constitute a default by Seller under, any applicable law, rule or regulation or any agreement, instrument, decree, judgment or order to which Seller is a party or by which Seller may be bound, or give any person or entity the right to accelerate any obligation of the Seller. There is no action, suit, proceeding or investigation pending against Seller or, to Seller's knowledge, currently threatened that questions the validity of this Agreement, or the right of Seller to enter into this Agreement or to consummate the transaction contemplated hereby or that may otherwise have an adverse effect on the ability of Seller to comply with or perform any of his obligations under this Agreement.

2.6 No Representations Regarding Company; Contractual Rights Seller is not making any representations or warranties in relation to or on behalf of the Company or regarding the enforceability, after the Closing, of any contractual rights, rights associated with the Membership Interest, or the effectiveness of any purported transfer of such rights.

3. REPRESENTATIONS, WARRANTIES AND COVENANTS OF BUYER

Except for the express representations and warranties in this Agreement, Buyer expressly excludes all warranties with respect to the purchase and sale of the Membership Interest provided for in this Agreement, express and implied. Buyer represents and warrants to Seller as follows:

3.1 Authority and Consents. Buyer has the right, power, legal capacity and authority to enter into and perform Buyer's obligations under this Agreement, and no approvals or consent of any governmental or regulatory authority or other persons is necessary in connection herewith. This Agreement constitutes the legal, valid and binding obligation of Buyer, enforceable against Buyer in accordance with its terms, except (a) as may be limited by applicable bankruptcy, insolvency, reorganization, or others laws of general application relating to or affecting the enforcement of creditors' rights generally and (b) as may be limited by the effect of rules of law governing the availability of equitable remedies. The address of Buyer's principal place of business is identified on the signature page hereto.

3.2 Purchase Entirely for Own Account. This Agreement is made with Buyer in reliance upon Buyer's representation to the Company and Seller, which by Buyer's execution of this Agreement, Buyer hereby confirms, that the Membership Interest to be acquired by Buyer will be acquired for investment for an indefinite period for Buyer's own account, not as a nominee or agent, and not with a view to the resale or distribution of any part thereof, and that Buyer has no present intention of selling, granting any participation in, or otherwise distributing the same. By executing this Agreement, Buyer further represents that Buyer does not presently have any contract, undertaking, agreement or arrangement with any person to sell, transfer or grant participation to such person or to any third person, with respect to any of the Membership Interest. Buyer has acquired sufficient information about the Company to reach an informed and knowledgeable decision to purchase the Membership Interest. Buyer has conducted an independent investigation of the Company and the Membership Interest in making its decision to purchase the Membership Interest and believes it has received all of the information Buyer considers necessary or appropriate for deciding whether to acquire the Membership Interest and has had an opportunity to discuss the Company's business, management, financial affairs and the terms and conditions of the offering of the Membership Interest with the Company's management and Seller. Buyer has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of purchasing the Membership Interest and is able to fend for itself and bear the economic risk of such investment.

3.3 No Registration. Buyer understands that the Membership Interest have not been, and will not be, registered under the Securities Act of 1933, as amended (the “**Securities Act**”), by reason of a specific exemption therefrom, which exemption depends upon, among other things, the bona fide nature of Buyer’s investment intent and the accuracy of Buyer’s representations as expressed herein.

3.4 Restricted Securities. Buyer understands that the Membership Interest are “restricted securities” under applicable U.S. federal and state laws and that, pursuant to these laws, Buyer must hold the Membership Interest indefinitely unless they are registered with the Securities and Exchange Commission and qualified by state authorities, or an exemption from such registration and qualification requirements is available. Buyer acknowledges that the Company has no obligation to register or qualify the Membership Interest for resale. Buyer further acknowledges that if an exemption from registration or qualification is available, it may be conditioned on various requirements including, but not limited to, the time and manner of sale, the holding period for the Membership Interest, and requirements relating to the Company which are outside of Buyer’s control, and which the Company is under no obligation and may not be able to satisfy.

3.5 No Public Market. Buyer understands that no public market now exists for the Membership Interest, and that the Company has made no assurances that a public market will ever exist for the Membership Interest.

3.6 Accredited Investor. Buyer is an accredited investor as defined in Rule 501(a) of Regulation D of the Securities Act.

3.7 Legends; Other Agreements. Buyer understands that the Membership Interest will bear substantially the following legends and such other legends as may be required pursuant to the terms of any shareholder agreements:

“THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 (THE “ACT”) AND MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED, ASSIGNED, PLEDGED OR HYPOTHECATED UNLESS AND UNTIL REGISTERED UNDER THE ACT OR UNLESS THE COMPANY HAS RECEIVED AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY AND ITS COUNSEL THAT SUCH REGISTRATION IS NOT REQUIRED.”

Buyer authorizes the Company to issue stop-transfer instructions to its transfer agent or, as long as it acts as its own transfer agent, to make a stop-transfer notation in its appropriate records whenever necessary or appropriate to ensure that Buyer complies with this Agreement, and to the extent applicable, the Operating Agreement.

3.8 Agreement to be Bound. Buyer hereby agrees to be bound by all rights and obligations in existence with respect to the Membership Interest set forth in the Operating Agreement.

3.9 No Representations Regarding Company. Buyer (a) is making an informed decision regarding the purchase of the Membership Interest and (b) has independently and without reliance upon the Company or Related Parties, and based on such information and the advice of such advisors as Buyer has deemed appropriate, made its own analysis and decision to enter into this Agreement. Buyer acknowledges that none of the Company nor any Related Parties are acting as fiduciary or financial or investment advisers to Buyer, and have not given Buyer any investment advice, opinion or other information on whether the purchase of the Membership Interest is prudent. Buyer acknowledges that (x) the Company or the Related Parties currently have, and later may come into possession of further, information with respect to the Company that is not known to Buyer and that is material to the valuation of Company and the Membership Interest and may be material to a decision to enter into this Agreement (“**Buyer Excluded Information**”), (y) Buyer has determined to agree to the purchase of the Membership Interest notwithstanding its lack of knowledge with regard to the nature of Buyer Excluded Information and (z) Buyer waives and releases any claims that it might have against the Company, or any Related Party with respect to the nondisclosure of Buyer Excluded Information in connection with the purchase of the Membership Interest and the transactions contemplated by this Agreement. Buyer Excluded Information includes, without limitation, information with respect to the Company’s current and forecasted financial and operating performance, information with respect to current and expected products of the Company, information with respect to current or expected customers or partners of the Company and information with respect to current or expected financial events involving the Company such as an outside investment, merger or sale or public offering of the Company’s equity securities. Buyer understands that the Company will rely on the accuracy and truth of the foregoing representations, and Buyer hereby consents to such reliance.

3.10 No Conflict. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby will not result in a violation or breach by Buyer of, or constitute a default by Buyer under, any applicable law, rule or regulation or any agreement, instrument, decree, judgment or order to which Buyer is a party or by which Buyer may be bound. There is no action, suit, proceeding or investigation pending against Buyer or, to Buyer’s knowledge, currently threatened that questions the validity of this Agreement, or the right of Buyer to enter into this Agreement or to consummate the transaction contemplated hereby or that may otherwise have an adverse effect on the ability of Buyer to comply with or perform any of his obligations under this Agreement.

4. COVENANTS

4.1 Accounts and Expenses. The parties agree that, immediately following Closing, Buyer will have control of and signing authority for all of the Company’s bank accounts.

4.2 Access to Books and Records. Company shall maintain possession of all of the books, records, and other documents (or, in each case, copies thereof) constituting the Company, the Acquired Assets and the Assumed Liabilities following the Closing Date. From and after the Closing Date, Seller shall have reasonable access to all of such books, records and documents on reasonable advance notice, including the right to make copies and abstracts thereof, for the purposes of (a) preparation or examination of any tax return relating to any period of time that includes periods ending on or prior to the Closing, (b) reconciliation of expenses between the parties, or (c) any actual or threatened litigation against Seller.

4.3 Cooperation on Tax Matters. Following the Closing, the parties shall, upon written request, furnish or cause to be furnished to the other Party, as promptly as practicable, such information and assistance as is reasonably necessary for the preparation and filing of any tax return by such party, claim for refund or other filings relating to tax matters, for the preparation for any tax audit, for the preparation for any tax protest, for the prosecution or defense of any suit or other proceeding, or matters relating to tax matters.

4.4 Further Assurances. Each of the parties agrees to work diligently, expeditiously and in good faith to consummate the transactions contemplated hereby. Following the Closing, the parties shall, and shall cause its affiliates to, execute and deliver or cause to be executed and delivered such additional documents, instruments, conveyances, consents and assurances and take such further actions as may be reasonably required to carry out the provisions hereof, give effect to the transactions and to perfect any interest granted pursuant hereto or thereto.

5. CONDITIONS PRECEDENT TO BUYER'S PERFORMANCE

The obligations of Buyer under this Agreement are subject to the satisfaction, at or before the Closing, of all the following conditions. Buyer may waive any or all of these conditions in whole or in part without prior notice; provided, however, that no such waiver of a condition shall constitute a waiver by Buyer of any of its other rights or remedies, at law or in equity, if Seller shall be in default of any of its representations, warranties or covenants under this Agreement.

5.1 Accuracy of Seller's Representations and Warranties. All representations and warranties of Seller contained in this Agreement shall be true and correct on and as of the Closing Date (as defined below) as though made on and as of that date.

5.2 Performance by Seller. Seller shall have performed, satisfied and complied with all covenants, agreements and conditions required by this Agreement to be performed or complied with by Seller on or before the Closing Date.

6. CONDITIONS PRECEDENT TO SELLER'S PERFORMANCE

The obligations of Seller under this Agreement to Buyer are subject to the satisfaction, at or before the Closing, of all the following conditions by Buyer. Seller may waive any or all of these conditions in whole or in part without prior notice; provided, however, that no such waiver of a condition shall constitute a waiver by Seller of any of his other rights or remedies, at law or in equity, if Buyer shall be in default of any of its representations, warranties or covenants under this Agreement.

6.1 Accuracy of Buyer's Representations and Warranties. All representations and warranties of Buyer contained in this Agreement shall be true and correct on and as of the Closing Date as though made on and as of that date.

6.2 Performance by Buyer. Buyer shall have performed, satisfied and complied with all covenants, agreements and conditions required by this Agreement to be performed, or complied with by Buyer on or before the Closing Date.

7. CLOSING

The closing of the transactions contemplated by this Agreement (the "**Closing**") shall take place remotely via the exchange of documents and signatures, on the date hereof, or at such other time and place as the parties may agree to in writing. That date is herein called the "**Closing Date**."

7.1 Obligations of Seller. At the Closing, Seller shall deliver to Buyer certificate(s) representing the Membership Interest (if any), accompanied by an Assignment of Membership Interest duly executed by Seller in the form attached hereto as Exhibit A assigning all of Seller's right, title and interest in and to the Membership Interest. The Company shall issue to Buyer on the books of the Company or by an electronic certificate representing the Membership Interest, registered in the name of Buyer.

7.2 Obligations of Buyer. At the Closing, subject to Seller's performance of the conditions set forth herein, Buyer shall deliver to Seller the Purchase Price.

8. INDEMNIFICATION.

8.1 Both Seller and Buyer (each an "**Indemnifying Party**") shall, at its own cost, defend, indemnify and hold harmless the other party and each of its respective officers, directors, employees, and agents (each an "**Indemnitee**") from and against any demand, or any civil, criminal, administrative, or investigative claim, action, or proceeding (including arbitration) asserted, commenced or threatened against an Indemnitee (a "**Claim**") regardless of the merit of such Claim, to the extent that such Claim is based on any assertion arising out of (i) any breach of such Indemnifying Party's representations and warranties set forth in this Agreement, (ii) a breach of such Indemnifying Party's covenants set forth in this Agreement, or (iii) any fraud, gross negligence or willful misconduct of such Indemnifying Party. The Indemnifying Party shall pay all judgments, awards, settlements, liabilities, damages, liens and claims, and all related costs, expenses and other charges suffered or incurred as a result of or in connection with a Claim as set forth above, including reasonable attorneys' fees and disbursements, costs of investigation, litigation, settlement and judgment, and any taxes, interest, penalties and fines with respect to any of the foregoing ("**Losses**") incurred by an Indemnitee with respect to any Claim subject to indemnification hereunder.

8.2 If any Claim or action is asserted that would entitle an Indemnitee to indemnification pursuant to this Section 8 (a "**Proceeding**"), such Indemnitee will give written notice thereof to the corresponding Indemnifying Party promptly (and in any event within fifteen (15) calendar days after the service of the citation or summons); provided, however, that the failure of the Indemnitee to give timely notice hereunder will not affect rights to indemnification hereunder, except to the extent that the Indemnifying Party demonstrates actual legal prejudice by such failure. The Indemnifying Party may elect to direct the defense or settlement of any such Proceeding by giving written notice to the Indemnitee, which election will be effective immediately upon receipt by the Indemnitee of such written notice of election. The Indemnifying Party will have the right to employ counsel reasonably acceptable to the Indemnitee to defend any such Proceeding, or to compromise, settle or otherwise dispose of the same, if the Indemnifying Party deems it advisable to do so, all at the expense of the Indemnifying Party; provided that the Indemnifying Party will not settle, or consent to any entry of judgment in, any Proceeding without obtaining either: (i) an unconditional release of the Indemnitee from all liability with respect to all claims underlying such Proceeding; or (ii) the prior written consent of the Indemnitee. An Indemnitee will not settle, or consent to any entry of judgment, in any Proceeding without obtaining the prior written consent of the Indemnifying Party. The parties will fully cooperate with each other in any such Proceeding and will make available to each other any books or records useful for the defense of any such Proceeding.

9. RELEASES

9.1 Seller Release.

(a) Seller hereby waives and releases and promises never to assert any claims or causes of action, whether or not now known, against the Buyer and their respective predecessors, successors, or past or present subsidiaries, officers, directors, stockholders, agents, partners, members, managers, employees, assigns, and affiliates thereof from any and all actions, suits, claims, demands, debts, sums of money, accounts, reckonings, bonds, bills, covenants, contracts, controversies, promises, judgments, liabilities or obligations of any kind whatsoever in law or equity and causes of action of every kind and nature, or otherwise (including, without limitation, claims for damages, costs, expenses, and attorneys', brokers' and accountants' fees and expenses) arising out of or in connection with the sale of the Membership Interest and the transactions contemplated by this Agreement existing or arising on or prior to the Closing (other than with respect to Buyer, for a breach of this Agreement by Buyer) (the "**Seller Released Claims**").

(b) Seller expressly acknowledges and agrees that the provisions of this Section 9.1 shall be effective as a full and final accord and satisfaction and general release of all Seller Released Claims, whether known or unknown, against Buyer and the Company. Seller hereby expressly waives any right or benefit available to it in any capacity under the provisions of California Civil Code Section 1542, which provides as follows:

“A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.”

9.2 Buyer Release.

(a) Buyer hereby waives and releases and promises never to assert any claims or causes of action, whether or not now known, against the Seller and their respective predecessors, successors, or past or present subsidiaries, officers, directors, stockholders, agents, partners, members, managers, employees, assigns, and affiliates thereof from any and all actions, suits, claims, demands, debts, sums of money, accounts, reckonings, bonds, bills, covenants, contracts, controversies, promises, judgments, liabilities or obligations of any kind whatsoever in law or equity and causes of action of every kind and nature, or otherwise (including, without limitation, claims for damages, costs, expenses, and attorneys', brokers' and accountants' fees and expenses) arising out of or in connection with the purchase of the Membership Interest and the transactions contemplated by this Agreement existing or arising on or prior to the Closing (other than with respect to Seller, for a breach of this Agreement by Seller) (the “**Buyer Released Claims**”).

(b) Buyer expressly acknowledges and agrees that the provisions of this Section 8.2 shall be effective as a full and final accord and satisfaction and general release of all Buyer Released Claims, whether known or unknown, against Seller.

10. MISCELLANEOUS

10.1 Effect of Headings. The subject headings of the sections of this Agreement are included for convenience only and shall not affect the construction or interpretation of any of its provisions.

10.2 Entire Agreement; Modification; Waiver. This Agreement, together with all Exhibits hereto which are made a part hereof, constitutes the entire agreement between the parties pertaining to its subject matter, and supersedes, merges and voids all prior and contemporaneous agreements, representations and understandings of the parties with respect thereto, whether written or oral. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing by all of the parties. No waiver of any of the provisions of this Agreement shall be deemed, or shall constitute, a waiver of any other provision, whether or not similar, nor shall any waiver constitute a continuing waiver unless it expressly provides such by its terms. No waiver shall be binding unless executed in writing by the party making the waiver.

10.3 No Reliance. Except as expressly set forth in Sections 2 and 3 of this Agreement, neither Buyer, Seller nor any of their agents, employees or representatives have made, nor are any of them making, any representation or warranty, written or oral, express or implied, including any representations and warranties about the accuracy or completeness of any information or documents previously provided, and any such other representations or warranties are hereby expressly disclaimed. Each of Buyer and Seller expressly acknowledges and agrees that neither it nor any of its agents, employees or representatives is relying on any other representation or warranty of or made by Seller or Buyer, as the case may be, or any of its agents, employees or representatives, including regarding the accuracy or completeness of any representations and warranties, or the omission of any material information, whether written or oral, express or implied. Buyer and Seller further agree that neither the Company, nor any of its agents, employees or representatives have made, nor are any of them making any representation or warranty, written or oral, express or implied, including any representations and warranties about the accuracy or completeness of any information or documents previously provided, and any such representations or warranties are hereby expressly disclaimed. Each of Buyer and Seller expressly acknowledges and agrees that neither it nor any of its agents, employees or representatives is relying on any representation or warranty of or made by the Company, or any of its agents, employees or representatives, including regarding the accuracy or completeness of any representations and warranties or the omission of any material information, whether written or oral, express or implied.

10.4 Counterparts. This Agreement may be executed and delivered by facsimile signature and in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Counterparts may be delivered via facsimile, electronic mail (including pdf or any electronic signature complying with the U.S. federal E-SIGN Act of 2000, Uniform Electronic Transactions Act or other applicable law) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

10.5 Assignment. This Agreement shall be binding on, and shall inure to the benefit of the parties and their respective heirs, legal representatives, successors and assigns.

10.6 Notices. All notices, requests, demands and other communications under this Agreement shall be in writing, addressed to the respective party or parties as set forth on the signature pages of this Agreement, and shall be deemed to have been duly given on the date of service if served personally on the party to whom notice is to be given or by facsimile or email receipt acknowledged. Any party may change its address for purposes of this Section 10.6 by giving the other parties written notice of the new address in the manner set forth above. If no facsimile number or email address is listed for notices on the signature pages of this Agreement for a party, notices and communications given or made by facsimile or email shall not be deemed effectively given to such party.

10.7 Governing Law. This Agreement shall be governed by and construed according to the laws of the State of Oregon without respect to the conflicts of law provisions thereof.

10.8 Venue. Any action, suit, or proceeding arising out of the subject matter of this Assignment of Membership Interest will be litigated in courts located in Jackson County, Oregon. Each party consents and submits to the jurisdiction of any local, state, or federal court located in Jackson County, Oregon

10.9 Severability. If any provision of this Agreement is held invalid or unenforceable by any court of final jurisdiction, it is the intent of the parties that all other provisions of this Agreement be construed to remain fully valid, enforceable and binding on the parties.

10.10 Survival of Representations and Warranties. The representations and warranties made by Seller and Buyer contained in or made pursuant to this Agreement shall survive the execution and delivery of this Agreement and the Closing.

10.11 Expenses. Each party shall pay the expenses and costs incurred by it incidental to the preparation of this Agreement, the performance and compliance with all agreements contained in this Agreement to be performed or complied with by them and the consummation of the transactions contemplated hereby.

10.12 Specific Enforcement. Notwithstanding anything to the contrary set forth herein, it is agreed and understood that monetary damages would not adequately compensate an injured party hereto for the breach of this Agreement by any other party hereto, that this Agreement shall be specifically enforceable, and that any breach or threatened breach of this Agreement shall be the proper subject of a temporary or permanent injunction or restraining order. Further, each party hereto waives any claim or defense that there is an adequate remedy at law for such breach or threatened breach.

10.13 Confidentiality. Each of Buyer and Seller shall (a) keep the contents of this Agreement confidential (including the fact that a transaction occurred and the identities of the parties hereto) and (b) not disclose such information to any other person or entity, including by way of press release, public announcement or description of the transaction in any marketing documents, except that Buyer or Seller may disclose any provision of this Agreement (and the fact that a transaction occurred and the identities of the parties thereto) (i) as may be required by applicable law, regulation, regulatory authority or legal process, (ii) to its financial, tax and legal advisors and (iii) to its affiliates, partners, former partners, managers, members or managing members.

(Signature pages follow.)

IN WITNESS WHEREOF, the parties to this Agreement have duly executed it as of the day and year first above written.

SELLER:

UNRIVALED BRANDS, INC.

By: /s/ Sabas Carrillo
Name: Sabas Carrillo
Title: Authorized Representative

Address:

Email:

BUYER:

By: /s/ Joseph Gerlach
Name: Joseph Gerlach

Address:

Email:

CONSENT

Securities Laws. The Company consents to the purchase and sale of the Membership Interest provided for in this Agreement, and waives the Company's right to receive an opinion of counsel that the sale of the Membership Interest provided for in this Agreement is exempt from the registration requirements of the Securities Act of 1933 and applicable state securities laws.

Company:

PSYCHONAUT OREGON, LLC

/s/ Joseph Gerlach

By: Joseph Gerlach
Its: Managing Manager

Members:

/s/ Joseph Gerlach

By: Joseph Gerlach

UNRIVALED BRANDS, INC.

/s/ Sabas Carrillo

By: Sabas Carrillo
Its: Authorized Representative

EXHIBIT A

ASSIGNMENT OF MEMBERSHIP INTEREST

- 1. Assignment.** Unrivald Brands, Inc. (“Assigning Party”) assigns and transfers to Joseph Gerlach (“Assignee”) its Fifty Percent (50%) membership interest in Psychonaut Oregon, LLC, an Oregon limited liability company (the “Membership Interest”).
- 2. Warranty.** Assigning Party warrants to Assignee that Assigning Party is the only owner of the Membership Interest, and that there is no adverse claim to the Membership Interest.
- 3. Exclusion of Warranties.** Except for the express warranties in this Assignment of Membership Interest, Assigning Party expressly excludes all warranties with respect to the Membership Interest to the fullest extent permitted by law.
- 4. Governing Law.** This Assignment of Membership Interest is governed by the laws of the State of Oregon, without giving effect to any conflict-of-law principle that would result in the laws of any other jurisdiction governing this Assignment of Membership Interest.
- 5. Venue.** Any action, suit, or proceeding arising out of the subject matter of this Assignment of Membership Interest will be litigated in courts located in Jackson County, Oregon. Each party consents and submits to the jurisdiction of any local, state, or federal court located in Jackson County, Oregon.
- 6. Attorney’s Fees.** If any arbitration, action, suit, or proceeding is instituted to interpret, enforce, or rescind this Assignment of Membership Interest, or otherwise in connection with the subject matter of this Assignment of Membership Interest, including but not limited to any proceeding brought under the United States Bankruptcy Code, the prevailing party on a claim will be entitled to recover with respect to the claim, in addition to any other relief awarded, the prevailing party’s reasonable attorney’s fees and other fees, costs, and expenses of every kind, including but not limited to the costs and disbursements specified in ORCP 68 A(2), incurred in connection with the arbitration, action, suit, or proceeding, any appeal or petition for review, the collection of any award, or the enforcement of any order, as determined by the arbitrator or court.
- 7. Assignee’s Acceptance.** Assignee accepts the Membership Interest subject to the terms and conditions in this Assignment of Membership.

[signature page to immediately follow]

IN WITNESS WHEREOF, the parties to this Assignment of Membership Interest Agreement have duly executed it as of the day and year first above written.

TRANSFEROR:

UNRIVALED BRANDS, INC.

By: /s/ Sabas Carrillo

Name: Sabas Carrillo

Title: Authorized Representative

THIS PROMISSORY NOTE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE SECURITIES LAWS OF ANY STATE AND MAY NOT BE SOLD, TRANSFERRED, PLEDGED, HYPOTHECATED, OR OTHERWISE DISPOSED OF EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER SUCH ACT AND APPLICABLE STATE SECURITIES LAWS OR PURSUANT TO AN APPLICABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF SUCH ACT AND SUCH LAWS.

PROMISSORY NOTE

Principal Amount: \$153,798.00 _____

Issue Date: December 28, 2022

FOR VALUE RECEIVED, Unrivaled Brands, Inc., a Nevada corporation (the "**Borrower**") hereby promises to pay to the order of Joseph Gerlach ("**Lender**") in lawful money of the United States at such address as Lender may designate in writing, the principal sum of \$153,798.00, together with interest on so much of the balance of this Promissory Note (this "**Note**") as may be outstanding and unpaid from time to time, calculated on the basis of a 365-day year and actual days elapsed, at a rate of one percent (1%) simple interest per annum.

1. Principal and Interest Payments. The outstanding principal balance of this Note, together with all accrued but unpaid interest thereon, shall be due and payable on the fifth anniversary of the Issue Date set forth above (the "**Maturity Date**"). The outstanding principal balance of this Note shall bear interest from the Issue Date until repayment of this Note in full, and interest payments shall be due on the Maturity Date.

2. Voluntary Prepayment. Principal or interest may be paid by Borrower at any time following the Issue Date and prior to the Maturity Date, without penalty or premium (a "**Prepayment**"). Any Prepayment shall be applied first against accrued interest and, thereafter, against the outstanding principal balance hereunder.

3. Default.

(a) The occurrence of any one or more of the following events will constitute a default by Borrower hereunder (each, an "**Event of Default**"):

i. Borrower fails to pay on the Maturity Date the full amount of interest then accrued on this Note or the full amount of any principal on this Note;

ii. Borrower makes an assignment for the benefit of creditors, or any proceeding is instituted by or against Borrower alleging that Borrower is insolvent, unable to pay its debts as they mature, or not generally paying its debts as such debts become due, or any proceeding is instituted by or against Borrower under the Federal Bankruptcy Code or any successor statute, or any proceeding is instituted seeking the appointment of a receiver or trustee for all or any portion of Borrower's property or assets, or if any proceeding affecting the rights of creditors generally is instituted by or against Borrower; or

iii. Any breach of the representations and warranties set forth in Section 6 hereof.

(b) Upon the occurrence and during the continuation of an Event of Default, Lender, without demand or notice of any kind, may declare this Note immediately due and payable by providing written notice to Borrower (except with respect to any Event of Default set forth in Section 5(a)(iii), in which case this Note shall automatically become immediately due and payable without the necessity of any notice or other demand), whereupon all outstanding principal and accrued interest shall become immediately due and payable. A delay by Lender in exercising any rights after an Event of Default shall not constitute a waiver of the default or any other right or remedy for such default.

(c) In addition to the foregoing, upon the occurrence of an Event of Default, Lender shall have the right to exercise all other remedies available to it in law or in equity. No right or remedy conferred upon or reserved to Lender hereunder or now or hereafter existing at law or in equity is intended to be exclusive of any other right or remedy, and each and every such right or remedy shall be cumulative and concurrent, and in addition to every other such right or remedy, and may be pursued singly, concurrently, successively or otherwise, at the sole discretion of Lender, and shall not be exhausted by any one exercise thereof but may be exercised as often as occasion therefor shall occur.

4. Representations and Warranties of Borrower. The Borrower represents and warrants to the Lender as of the Issue Date as follows:

(a) Authorization. The Borrower has all authority necessary for the authorization, execution, delivery and performance of this Note by the Borrower and the performance of the Borrower's obligations hereunder. The Note when executed and delivered by the Borrower, shall constitute valid and binding obligations of the Borrower enforceable in accordance with their terms, subject to laws of general application relating to bankruptcy, insolvency, the relief of debtors and, with respect to rights to indemnity, subject to federal and state securities laws.

(b) Compliance with Other Instruments. The Borrower is not in violation or default of any provision of any mortgage, indenture or contract to which it is a party and by which it is bound or of any judgment, decree, order or writ, other than such violations that would not individually or in the aggregate have a material adverse effect on the Borrower. The execution, delivery and performance of the Note, and the consummation of the transactions contemplated by the Note will not result in any such violation or be in conflict with, or constitute, with or without the passage of time and giving of notice, either a default under any such provision, instrument, judgment, decree, order or writ or an event that results in the creation of any lien, charge or encumbrance upon any assets of the Borrower or the suspension, revocation, impairment, forfeiture, or nonrenewal of any material permit, license, authorization or approval applicable to the Borrower.

5. Full Payment. All amounts payable under this Note shall be paid in full without setoff, deduction or counterclaim. All amounts payable under this Note shall be free and clear of and without any deduction or withholding for or on account of any taxes, levies, duties, charges, fees, restrictions or conditions of any nature now or hereafter imposed by any federal, state, country or local government or any political subdivision or taxing authority thereof or therein. Borrower shall indemnify Lender against any such taxes, levies, imposts, duties, charges and fees (other than taxes on the income of Lender imposed by any taxing authority) which may be assessed against Lender or claimed or demanded from Lender in respect of any amount payable by Borrower hereunder, and against any costs, charges, expenses or liability arising out of or in respect of such assessment, claim or demand, to the full extent permitted by law.

6. Attorneys' Fees. In the event any suit or action is brought by Lender under this Note to enforce any of its terms, or in any appeal therefrom, it is agreed that the Lender shall be entitled to recover its costs and expenses, including but not limited to reasonable attorneys' fees and costs, from the Borrower.

7. Savings Clause. In no event shall the amount or rate of interest due and payable under this Note exceed the maximum amount or usury rate of interest allowed by applicable law, and, in the event any such excess payment is made by Borrower or received by Lender, such excess sum shall be credited as a payment of principal (or if no principal shall remain outstanding, shall be refunded to Borrower). It is the express intent of the parties that Borrower not pay and Lender not receive, directly or indirectly or in any manner, interest in excess of that which may be lawfully paid under applicable law.

8. Waiver. Demand, presentment, notice, notice of demand, notice for payment, protest and notice of dishonor are hereby waived by Borrower. Lender shall not be deemed to waive any of its rights under this Note unless such waiver is in writing and signed by Lender. No delay or omission by Lender in exercising any of its rights under this Note shall operate as a waiver of such rights, and a waiver in writing on one occasion shall not be construed as a consent to or a waiver of any right or remedy on any future occasion.

9. Assignment or Transfer. Lender shall have the right to assign, either directly or indirectly, all or any portion of his rights or interest under this Note to any individual or entity without the prior written consent of Borrower.

10. Business Days; Cancellation. If any payment is due on a day which is a Saturday, Sunday or legal holiday in the State of Oregon, the payment shall be due and payable on the next business day immediately following such Saturday, Sunday or legal holiday, and interest shall continue to accrue at the required rate hereunder until any such payment is made. After all principal and accrued interest at any time owed on this Note has been paid in full, this Note shall be surrendered to Borrower for cancellation and shall not be reissued.

11. Amendment. This Note may be amended or modified only with the written consent of Borrower and Lender.

12. MUTUAL WAIVER OF JURY TRIAL. EACH OF THE UNDERSIGNED ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY WHICH MAY ARISE UNDER THIS NOTE IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES, AND THEREFORE, EACH OF THE UNDERSIGNED HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT SUCH PARTY MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS NOTE, OR THE TRANSACTIONS CONTEMPLATED BY THIS NOTE. EACH OF THE UNDERSIGNED CERTIFIES AND ACKNOWLEDGES THAT (A) NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER, (B) EACH OF THE UNDERSIGNED UNDERSTANDS AND HAS CONSIDERED THE IMPLICATIONS OF THIS WAIVER, (C) EACH OF THE UNDERSIGNED MAKES THIS WAIVER VOLUNTARILY AND (D) EACH OF THE UNDERSIGNED HAS BEEN INDUCED TO EXECUTE THIS NOTE BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

13. Governing Law; Waiver; Service. This Note shall be governed by and construed in accordance with the laws of the State of Oregon without reference to the conflicts of law principles thereof. To the extent that any party has or hereafter may acquire any immunity from jurisdiction of any court or from any legal process (whether through service or notice, attachment prior to judgment, attachment in aid of execution, execution or otherwise) with respect to itself or its property, each of the undersigned hereby irrevocably waives such immunity in respect of its obligations under this Note. Without limiting any of the foregoing, each of the undersigned agrees that service of any process, summons or notice of document in any action suit or proceeding with respect to the subject matter hereof may be served on it anywhere in the world.

14. Severability. If any provision of this Note is held invalid or unenforceable by any court of competent jurisdiction, the other provisions of this Note will remain in full force and effect. Any provision of this Note held invalid or unenforceable only in part or degree will remain in full force and effect to the extent not held invalid or unenforceable.

15. Miscellaneous. Words importing the singular number hereunder shall include the plural number and vice versa, and any pronoun used herein shall be deemed to cover all genders. The headings as to contents of particular Sections are inserted only for convenience and are in no way to be construed as part of this Note. All obligations of Borrower hereunder shall bind Borrower's successors and assigns.

16. Notices. All notices, consents and other communications hereunder shall be sufficiently given for any purpose hereunder only if in writing and delivered personally, by electronic mail receipt confirmed in writing, by certified mail return receipt requested, or sent pre-paid by nationally-recognized overnight delivery service for next business day delivery, to the appropriate address as set forth on the signature pages hereto. Each such notice, consent or other communication shall be effective when received by the addressee thereof in the case of personal service, three days after the date of mailing, or, if sent by overnight delivery service as described herein, the next business day after deposit with such service.

17. Counterparts; Delivery. This Note may be executed in counterparts, including by electronic signature or PDF, each of which shall be deemed an original and all of which, when taken together, shall be deemed to be one instrument and shall be treated in all manner and respects as an original agreement or instrument and shall be considered to have the same binding legal effect as if it were the original signed version thereof delivered in person.

[Signature page follows.]

IN WITNESS WHEREOF, the undersigned have caused this Promissory Note to be executed effective as of the date set forth above.

BORROWER:

UNRIVALED BRANDS, INC.

By: /s/ Sabas Carrillo
Name: Sabas Carrillo
Title: Authorized Representative

Address:

ACKNOWLEDGED AND AGREED BY LENDER:

JOSEPH GERLACH

By: /s/ Joseph Gerlach

Address:

MANAGEMENT SERVICES AGREEMENT

THIS MANAGEMENT SERVICES AGREEMENT (this “**Agreement**”) is made and entered into effective December 28, 2022 (the “**Effective Date**”) by and between Brick City Productions, Inc., a California corporation (the “**Manager**”), Unrivaled Brands, Inc., a Nevada corporation (“**Unrivaled**”), and Blum San Leandro, a California corporation (the “**Company**”) a wholly owned subsidiary of Unrivaled and the holder of a commercial cannabis retail license (“**Cannabis License**”). The Manager, Unrivaled, and the Company are sometimes referred to in this Agreement individually as a “**Party**” and collectively as the “**Parties**.”

RECITALS

WHEREAS, the Company holds a Cannabis License issued by the city of San Leandro (the “**City**”) and the State of California (“**State**”) permitting the Company to engage in adult-use and medicinal sales at 1915 Fairway Dr San Leandro, CA 94577 (the “**Premises**”).

WHEREAS, the Manager possesses a high level of knowledge and expertise with respect to the management and operation of licensed medicinal and adult-use cannabis retail dispensaries in the State of California.

WHEREAS, the Parties desire to set forth the terms and conditions upon which the Manager will manage the operation of the Company and the Company’s retail facilities (“**Operation(s)**”) at the Premises.

AGREEMENT

NOW THEREFORE, in consideration of the mutual promises contained herein and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged by the Parties, the Parties agree as follows:

1. **Engagement of the Manager.** Unrivaled and the Company hereby retain and engage the Manager to provide the Services (as hereinafter defined) exclusively pursuant to the terms and conditions of this Agreement, and the Manager hereby accepts such retention and engagement subject to receipt of any approvals required by Applicable Law (as defined below). Unrivaled and the Company hereby authorize the Manager to exercise such powers and to take such actions with respect to the Company as are expressly set forth herein and as may be necessary for the performance of the Manager’s obligations under this Agreement. The Manager hereby accepts such appointment on the terms and conditions hereinafter set forth and agrees to manage, operate and maintain the Company.

2. **Management Services.** During the Term, Manager, at its sole discretion, shall manage the Operations and all of the Company’s activities related to the Premises or otherwise related to the Cannabis License (collectively, the “**Services**”, which shall include, for purposes of illustration, the services set forth on Exhibit A). The Manager will perform the Services in a commercially reasonable manner under the circumstances. The Manager may, but is not obligated to, cause some or all of the Services to be rendered by and/or through third-party contractors, affiliates and/or assignees of the Manager. Each of the Parties acknowledges and agrees that Exhibit A (a) is not, and is not intended to be, a complete listing of all the Services, and (b) may be amended and revised from time to time by written mutual agreement of the Parties to reflect any material changes to those Services as set forth in Exhibit A.

3. **Compliance With Applicable Law.** The Parties shall comply with all present and future state, local, and/or federal (to the extent not inconsistent with state and local), statutes, ordinances, rules, regulations, permits, licenses, certificates, and judicial and/or administrative rulings, decisions and/or orders in any way applicable to this Agreement, the Manager, the Company, the Operations, and the Services, including, without limitation, the Adult Medicinal and Adult-Use Cannabis Regulation and Safety Act (“**MAUCRSA**”), and such other rules, regulations, statutes and guidelines currently or subsequently promulgated with respect to any of the foregoing (“**Applicable Law**”). Unrivald and the Company shall maintain the Cannabis License in full force and effect, and shall conduct their business in a lawful manner. Unrivald and the Company, with the assistance of the Manager, shall be responsible for obtaining and maintaining any and all necessary renewals of licenses, certificates, permits, approvals or other authorizations required by Applicable Law. Unrivald and the Company agree to provide the Manager with prompt notice and copies of any correspondence, notices, violations, complaints, and other materials from regulatory authorities and/or any local licensing authority regarding the Cannabis License or any other Company business.

4. **Company’s Retained Control.** Unrivald and the Company shall retain controlling interest (“**Control**”) of Blum San Leandro.

5. **Manager’s Management Rights.** Beginning on the Effective Date and continuing during the Term, Manager shall, to the extent permissible by Applicable Laws, provide the following Services:

- 5.1. Review and advice concerning the technical design of existing and planned products or Services;
- 5.2. Business development assistance including terms of possible transactions and suggestions during negotiations;
- 5.3. Sales assistance through the development of business models and sales strategy;
- 5.4. Advice regarding financing, review of proposed term sheets, capitalization planning and, where appropriate, participation in negotiations;
- 5.5. Strategic consulting and advice regarding product planning, market development, marketing and public relations;
- 5.6. Introductions to potential strategic partners and other alliance candidates.

Manager shall not be liable, responsible or accountable in damages or otherwise to Unrivaled or the Company, its members or managers for any action taken or failure to act by Manager in its business judgment in connection with the management, operation and maintenance of the Company unless such action or omission constitutes fraud or gross negligence. Manager may rely and shall be protected in acting, or refraining from acting, upon any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, bond, debenture, or other paper or document believed by Manager in good faith to be genuine and to have been signed or presented by the proper person. Manager may consult with legal counsel, accountants, appraisers, management consultants, property manager, investment bankers, architects, engineers, environmental consultants and other consultants, and any act taken or omitted to be taken in reliance upon the opinion of such persons as to matters which Manager reasonably believes to be within such person's professional or expert competence shall be conclusively presumed to have been done or omitted in good faith and in conformance with the business judgment rule. Company and Unrivaled expressly acknowledge and agree that Manager shall not have any fiduciary duty to Company or Unrivaled or their members or managers, and Company and Unrivaled hereby expressly disclaim any such duty.

6. Compensation to Manager. In consideration of the Manager's performance of the Services, the Manager shall receive within thirty (30) days of the end of Term (the "**Handoff Date**"), a management fee equal to 25% of the gross top line revenue (the "**Management Fee**"). "Gross top line revenue" shall mean one year of gross revenue of the Company calculated by multiplying the best six (6) months of total Company revenues during the Term by two (2) less discounts, refunds, and credits. Should the Management Fee not be timely paid to Manager on the Handoff Date, Unrivaled and Company unconditionally agree to cause all of their right, title, and interest in the Cannabis License and their leasehold interests in the Premises to be promptly and duly transferred to Manager upon written demand by Manager. The Management Fee is non-refundable and will not be returned to the Company under any circumstance, including the early termination of this Agreement or changes in any law or regulation related to or affecting the Manager, the Company, and/or the Premises.

7. Compensation to the Company. Unrivaled shall (a) receive an administrative fee equal to an amount of 4% of the Gross Revenue payable the 5th business day of each month for the previous month's administrative fees ("**Administrative Fee**"); and, (b) immediately upon request and from time to time, the amount of any documented out-of-pocket costs, fees, dues, charges, and expenses incurred or advanced by the Company on behalf of the Manager and/or in the performance of the Support Services (the "**Reimbursables**"). The Administrative Fee and Reimbursables are non-refundable and will not be returned to the Manager under any circumstance, including the early termination of this Agreement or changes in any law or regulation related to or affecting the Manager, the Company, and/or the Premises. If, in any month, the net cash after all Operation expenses are paid is less than \$20,000, such payments shall be accrued and postponed unless and until such time that net cash after all Operation expenses sufficiently exceed \$20,000.

8. Operating Capital: For the purposes of funding the opening and initial operation of the Company, Unrivaled shall contribute operating capital as follows:

8.1. \$100,000 payable in 3 installments as follows: (i) \$50,000 at the Effective Date, (ii) \$25,000 14 days following the Effective Date, and (iii) \$25,000 on the 1-month anniversary of the execution of the Effective Date.

8.2. The balance of required operating capital up to but not to exceed \$400,000 pursuant to an unsecured promissory note signed by the Company and accruing interest at 10% per annum. The note shall have a maturity date 12 months from its effective date.

8.3. Unrivaled's capital funding obligations set forth in this Section 8 shall be contingent upon and subject to the condition precedent that one or more of Manager's owners enters into a subscription agreement for the purchase of, and purchases, shares in Unrivaled equaling at least \$400,000.00.

9. **Personnel.** Manager shall assist the Company with developing and implementing guidelines and procedures for the recruitment, selection, hiring, firing, compensation, terms, conditions, obligations and privileges of employment or engagement of employees working for the Company. Manager will also assist the Company in recruiting new employees and will carry out such administrative functions as may be appropriate for such recruitment, including advertising for and identifying potential candidates, assisting the Company in examining and investigating the credentials of such potential candidates, and arranging interviews with such potential candidates. Unrival and the Company shall be responsible for compensating its employees. Unrival and the Company expressly acknowledges their responsibility and liability to provide for the payment and withholding of appropriate amounts for income tax, social security, unemployment insurance, state disability insurance taxes, and any authorized payroll deductions from the paychecks of the Company's personnel. Manager shall assist the Company with these administrative functions, as requested, including but not limited to processing and paying the Company's payroll obligations out of Company funds managed by the Manager.

10. **Insurance.** For the entire Term of this Agreement, the Manager shall, at the Company's sole cost and expense, arrange for, obtain, and maintain, or cause its agents to arrange for, obtain, and maintain, with responsible insurance carriers admitted and licensed to do business in applicable jurisdiction, commercial general liability, property and casualty, professional liability and other insurance coverage that is reasonably available and customary for the Company's business, in amounts that are adequate under Applicable Law and consistent with industry standards, for the entire Term of the Agreement. Each such insurance policy shall name the Manager as an additional insured and loss payee. The Manager, at the Company's sole cost and expense, shall also arrange for workers' compensation insurance for all employees of the Company in accordance with Applicable Law and consistent industry standards for the entire Term of the Agreement. Notwithstanding anything to the contrary herein, and in addition to the Company's indemnification of the Manager set forth elsewhere in this Agreement, the Company hereby agrees to fully indemnify, protect, defend and hold harmless the Manager from any insufficiency or lack of insurance coverage for the Company.

11. **Banking and Bank Accounts.**

11.1. **Company Bank Accounts.** The Manager shall recommend, and the Company shall approve (with such approval not to be unreasonably withheld, conditioned or delayed), a bank or banks for the deposit and maintenance of funds from the operation of the Company, and the Company shall use reasonable efforts to establish bank accounts in such bank(s), for the benefit of the Company, for the management and operation of the Company in the course of business and as consistent with this Agreement (the "**Company Bank Accounts**").

11.2. **Authorization for Company Bank Accounts.** The Company shall execute any and all documents necessary to authorize the Manager to deposit funds into, withdraw funds from, and write checks from the Company Bank Accounts for the purpose of operating, managing, and maintaining the Company, including, but not limited to, the payment of expenses and/or financial obligations incurred or undertaken by or on behalf of the Company.

11.3. **Gross Revenue.** All Gross Revenue and other proceeds connected with or arising from the operation of the Company, and/or the sale of all products, services, and all other activities of the Company shall be deposited in a Company Bank Account that may be designated by Manager, as approved by the Company. All cash, checks, and/or other payments paid to the Company shall be counted at the close of business on the day that such cash, checks, and/or other payments are received and shall be deposited into a Company Bank Account that may be designated by Manager promptly after receipt thereof.

11.4. **Operating Expenses.** All payments for expenses relating to operation of the Operation and other expenses permitted under this Agreement shall be made from a Company Bank Account designated by Manager as permitted under Applicable Laws. All expenses incurred by Manager in connection with the Company shall be reimbursable to Manager, from the Company Bank Accounts.

12. **Dedicated Retail Space.** On a continuous basis throughout the Term, Manager agrees to dedicate and use up to fifty (50%) (the **Dedicated Space Requirement**) of the Operation to sell Unrivald's and the Company's Licensed Products ("**Licensed Products**") or other products and merchandise of affiliates designated by Unrivald and the Company (such other products and merchandise, "**Affiliate Products**"). Manager shall cause the Company to purchase such Licensed Products and Affiliate Products directly from Unrivald, the Company, or its affiliates (as applicable). The Company shall have the absolute right to determine the Licensed Products and Affiliate Products to be offered for sale by the Company and its affiliates to Manager for the Operation. The Company shall provide the Manager (or Operation, as applicable) with a commercially reasonable list of a wide variety of Licensed Products and Affiliate Products available for purchase for sale in the Operation, which list may be changed by the Company at any time upon notice to the Manager. To facilitate a variety of products and merchandise offered for sale at the Operation, the Company shall have the right to designate certain product mixes of Licensed Products and Affiliate Products that the Manager may cause to be purchased from the Company and its affiliates for sale in the Operation. The Company and its affiliates have the right in their discretion to reasonably establish or change pricing for the Licensed Products and Affiliate Products offered for sale to the Manager.

13. Representations, Warranties, and Covenants.

13.1. **Representations, Warranties and Covenant of Company.** The Company represents, warrants, and covenants to the Manager that, as of the Effective Date and throughout the Term:

13.1.1. The Company is duly incorporated, validly existing, and in good standing under the laws of the State of California. The Company has the full corporate power and authority to own its assets and properties and to carry on its activities as now conducted and as contemplated to be conducted. The Company has the full corporate power and authority to execute, deliver and perform this Agreement.

13.1.2. The Company has procured all governmental authorizations that are in full force and effect and all information provided by the Company in connection with the governmental authorizations was and remains true, complete, and correct and does not fail to state a material fact necessary to make any of such information not misleading.

13.1.3. The Company will, at its sole cost and expense, maintain in good standing and effect the Cannabis License, and will comply with, all regulatory requirements and governmental authorizations;

13.1.4. Assuming that all consents, approvals, authorizations have been obtained, the execution, delivery and performance of this Agreement by the Company does not and will not (a) violate, conflict with or result in the breach of any provision of its charter or by-laws (or similar organizational documents), (b) conflict with or violate any state or local law, ordinance, governmental regulation or governmental order applicable to the Company or any of its assets, properties or businesses or (c) conflict with, result in any breach of, constitute a default (or event which with the giving of notice or lapse of time, or both, would become a default) under, require any consent under, or give to others any rights pursuant to, any contract, agreement or arrangement by which the Company is bound, except to the extent that any such conflict or other event under (b) or (c) above would not prevent or materially hinder the consummation of the transactions contemplated by this Agreement.

13.1.5. To the best of the Company's knowledge, the Company has not, and the present officers, directors and affiliates of the Company have not, been the subject of, nor does the Company have any reason to believe that the Company or any of its officers, directors or affiliates will be the subject of, any civil, criminal or administrative investigation or proceeding brought by any federal or state governmental agency.

13.1.6. The Company, at its own expense, will timely and fully cooperate with the Manager in its performance of the Services, including timely and fully completing all tasks assigned to the Company by the Manager and performing all of the Company's obligations under this Agreement.

13.1.7. All information supplied by the Company or its agents to the Manager or its agents will be true, correct and complete and will not fail to state a material fact necessary to make any of such information not misleading.

13.2. Representations, Warranties and Covenant of Manager. The Manager represents, warrants, and covenants to the Company that, as of the Effective Date and throughout the Term:

13.2.1. The Manager will perform the Services in a commercially reasonable manner in accordance with all applicable state and local rules, regulations, and laws.

13.2.2. To the best of the Manager's knowledge, the Manager has not been the subject of, nor does the Manager have any reason to believe that the Manager will be the subject of, any civil, criminal or administrative investigation or proceeding brought by any federal or state governmental agency.

13.2.3. The execution and delivery of this Agreement and the performance by the Manager of its obligations pursuant to this Agreement do not and will not constitute a breach of or a default under any other agreement or obligation of the Manager.

13.2.4. Upon execution and delivery of this Agreement, this Agreement will constitute the legal, valid, and binding obligation of the Manager.

13.3. Survival. The representations, warranties, and covenants of the Company and the Manager set forth in the Agreement will survive the termination of the Agreement for a period of one (1) year, and shall not be lessened or rendered inapplicable by any more specific or general representation, warranty, or covenant, or by a Party's actual or constructive knowledge of any fact or circumstance to the contrary of any representation, warranty, or covenant of the other Party.

14. Term. Unless otherwise extended, this Agreement shall have a term of 12 months (the "**Term**"), commencing on the Effective Date. Upon termination of the Term management and operation of the Operation shall revert to the Company with all aspects of a "turn-key" operation in place including but not limited to a fully operating staff and effective SOPs.

15. Termination.

15.1. This Agreement may only be terminated by a Party as follows:

15.1.1. If one Party materially breaches this Agreement, which breach cannot reasonably be cured or remains uncured for thirty (30) days after the non-breaching Party provides written notice of the breach to the breaching Party the non-breaching Party may terminate this Agreement within ten (10) days of the expiration of such cure period by providing written notice of such termination to the breaching Party.

15.1.2. If the Parties determine that the rendition of the Services pursuant to this Agreement does or reasonably could be determined to violate any Applicable Laws applicable to the Parties and/or their Affiliates, and enforcement for violation of such Applicable Laws is likely to result in substantial civil or criminal liability or otherwise have a material and detrimental effect on the Parties, the Company and/or the continued rendition of the Services.

15.2. Obligations Upon Termination.

15.2.1. Upon termination of this Agreement, Manager shall promptly deliver to the Company all materials, equipment, tools and supplies, keys, leases, contracts, and documents and such other accountings, data, reports, papers, and records pertaining to this Agreement and the Operations that are the property of the Company and which are in the Manager's actual or constructive control, as the Company shall reasonably request, it being agreed that following the expiration of the Term of this Agreement or the earlier termination thereof, the Manager shall have no obligation whatsoever to keep, maintain or store any of the records, documents, materials or items listed in the prior sentence, it being the sole obligation of the Company to do so. Manager shall further cooperate with the Company to ensure that the Services are brought to an orderly termination and any work in progress is smoothly transitioned from Manager to the Company or the Company's designee(s).

16. **Option to Purchase.** Upon certain triggering events including but not limited to a transaction pursuant to which Unrivald is selling all or substantially all of its assets, a proposed transfer of all or substantially all of ownership interests in the Company, involuntary bankruptcy or receivership, or other like transactions the Manager shall have the first option to purchase the Company at its appraised fair market value or at the share price Unrivald and/or Company proposes to sell shares in the Company, whichever is lower.

17. Confidentiality.

17.1. **Confidential Information.** “Confidential Information” means: all information concerning the business or operations of any Party, including product designs, specifications, drawings, program code, mask work designs, models, documentation, components, software, test and development boards, hardware reference code and platforms, architectures, financial and pricing information, business and marketing plans, and actual and potential customers and suppliers, to which the other Party is provided access (in writing, orally or by inspection of tangible objects) by virtue of this Agreement that is either identified as such at the time of disclosure by such Party or would be understood to be of a confidential or proprietary nature by a reasonable person. Confidential Information also includes the terms of this Agreement and the discussions and negotiations between the Parties in connection with this Agreement. Confidential Information shall not include information that the receiving Party can demonstrate through written records: (i) is or becomes generally known to the public through no fault of the receiving Party; (ii) is independently developed by the receiving Party without accessing or referencing the disclosing Party’s Confidential Information; or (iii) is, or was prior to the Effective Date, lawfully obtained by the receiving Party, without restriction as to use or disclosure, from a third party not under an obligation to keep the information confidential.

17.2. **Limitations on Use and Disclosure.** The receiving Party agrees that it will not at any time: (i) use, reproduce, or copy any Confidential Information of the disclosing Party except as necessary in connection with the Agreement and as expressly permitted hereunder, or (ii) disclose Confidential Information of the disclosing Party to any third party other than its officers, directors, employees, agents, accountants, agents attorneys and employees, each on a “need to know” basis, in the normal course of business (provided such parties are professionally obligated or have committed in writing to abide by confidentiality and non-use provisions not less stringent than those set forth in this subsection) without the other Party’s prior written consent. If served with a subpoena, court order, or other compulsory process or legal requirement requiring disclosure of Confidential Information, the receiving Party shall promptly notify the disclosing Party of the demand (unless prohibited by law), take reasonable steps to protect the Confidential Information from public disclosure, and limit any such disclosure to the minimum extent necessary to comply with the legal requirement. The receiving Party agrees to reasonably cooperate with the disclosing Party at the disclosing Party’s expense if it decides to oppose production after it receives notice of such opposition, unless the receiving Party (in the opinion of its legal counsel) deems such cooperation is not legally permitted or is otherwise detrimental to it. Upon termination or expiration of this Agreement or an earlier request by the disclosing Party, the receiving Party shall destroy or return, at the other Party’s election, such other Party’s Confidential Information in its possession and certify such return or destruction upon request by such other Party; notwithstanding the foregoing, Manager will not be required to remove copies of any other party’s Confidential Information from any backup media or servers. Neither Party will issue or make, directly or indirectly, any press releases or other public announcements relating to the Agreement or the underlying transaction(s) without the prior written approval of the other Party.

17.3. **Customer Data.** “Customer Data” means (1) personally identifiable information such as name, address, email address, phone number, date of birth, and picture; (2) demographic information such as age, gender, or location; (3) behavioral data such as spending habits, order history, and user preferences; and (4) any other information that relates to or identifies specific Customers, in each case that is obtained, accessed, or made available in connection with this Agreement. Company and Owner each agree that it (including its respective employees and personnel) will not access or use any Customer Data. Company agrees that Customer Data is deemed and will be treated at all times during and after the Term as Manager Confidential Information, regardless of whether such information is or becomes public.

18. Interruption of Business of the Company.

18.1. **Casualty or Condemnation.** If, during the Term of this Agreement, the Premises (or any substantial part thereof) is damaged or destroyed or is taken under the power (or threat of the power) of eminent domain, the Manager and the Company shall, at the Company’s sole cost and expense, use commercially reasonable efforts to cause the Premises to be restored to substantially its condition prior to the casualty or taking, or to be reconstructed at a new location, in accordance with the provisions of this Agreement.

18.2. **Suspension of Operations.** If the Company is prohibited or substantially prohibited from operating as a result of a decision of a court of competent jurisdiction, administrative hearing or proceeding, law enforcement action or otherwise by operation of Applicable Law, the Company shall use its best efforts to restore the Company’s legal authority to operate as promptly as possible. The Manager shall be under no obligation to provide Services during any period when the Company is legally prevented from operating at the Premises. Notwithstanding anything to the contrary herein, if at least one of the Cannabis License remains in good standing and the Company continues to engage in commercial cannabis activity pursuant to such license, the Manager shall continue to provide Services solely with respect to the such Cannabis License.

19. Indemnification.

19.1. The Company shall, to the fullest extent allowable by Applicable Law, indemnify, defend (using counsel acceptable to the Manager) and hold harmless the Manager and its affiliates and each of their respective officers, managers, members, directors, employees, stockholders, partners, agents, representatives, and contractors, from and against any and all liabilities, obligations, claims, losses, causes of action, suits, proceedings, awards, judgments, settlements, demands, damages, costs, expenses, fines, penalties, deficiencies, taxes and fees (including without limitation the fees, expenses, disbursements and investigation costs of attorneys and consultants) arising directly or indirectly out of or resulting in any way from or in connection with: (i) the Premises, the Operations, or the Company, (ii) the performance or exercise by the Manager of the duties, obligations, powers, or authorities herein, or hereafter granted to the Manager, except for those actions and omissions of the Manager in relation to which the Manager agrees to indemnify the Company pursuant to Section 19.2 below. The indemnities in this Section 19.1 shall survive for a period of twelve (12) months following the expiration or termination of this Agreement.

19.2. The Manager shall to the fullest extent allowable by Applicable Law, indemnify, defend (using counsel acceptable to Company) and hold harmless the Company and its affiliates and each of their respective officers, managers, members, directors, employees, stockholders, partners, representatives and agents from and against any and all liabilities, obligations, claims, losses, causes of action, suits, proceedings, awards, judgments, settlements, demands, damages, costs, expenses, fines, penalties, attorneys' fees, , arising directly or indirectly out of any acts or omissions of the Manager, its agents or employees which have been held through a final, non-appealable judgment of a court of competent jurisdiction (i) to be grossly negligent and are not otherwise insured under property or liability policies, including deductibles and retentions, required to be maintained by the Company under this Agreement; (ii) constitute a willful failure of the Manager to perform in any material respect any of its obligations under this Agreement, to the extent the loss is not otherwise insured under property or liability policies, or provided such failure was not caused by the Company or by events beyond the reasonable control of the Manager, and the Company has furnished to the Manager sufficient funds to perform such obligations; or (iii) constitute an act of the Manager substantially beyond the scope of the Manager's authority hereunder. The indemnities in this Section 19.2 shall survive for a period of twelve (12) months following the expiration or termination of this Agreement. It is agreed that, under no circumstances shall the Manager be held liable to the Company or to any other party for events constituting Force Majeure.

20. Limitation of Liability

20.1. EXCEPT IN CASES OF WILLFUL OR INTENTIONAL ACTS, IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER PARTY FOR ANY SPECIAL, CONSEQUENTIAL, INCIDENTAL, INDIRECT DAMAGES, OR PUNITIVE DAMAGES, OR LOST PROFITS, BUSINESS, OR REVENUE, HOWEVER CAUSED, ON ANY THEORY OF LIABILITY, AND WHETHER OR NOT SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES; PROVIDED, HOWEVER, THAT THIS SECTION 20 DOES NOT LIMIT EITHER PARTY'S INDEMNITY AND DEFENSE OBLIGATIONS UNDER SECTION 19 ABOVE, INCLUDING FOR ANY CLAIMS BY THIRD PARTIES FOR THE PAYMENT OF ANY CONSEQUENTIAL, INCIDENTAL OR PUNITIVE DAMAGES, OR LOST PROFITS, BUSINESS OR REVENUE. THE AGGREGATE LIABILITY FOR DAMAGES, OF WHATEVER NATURE, UNDER THIS AGREEMENT (WHETHER DIRECT OR INDIRECT, OR UNDER CONTRACT, TORT, STATUTE, REGULATION, OR ANY OTHER THEORY OF LAW OR EQUITY) WILL NOT EXCEED, UNDER ANY CIRCUMSTANCES THE MANAGEMENT FEE PAID UNDER THIS AGREEMENT. THESE LIMITATIONS SHALL APPLY NOTWITHSTANDING ANY FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY. THE FOREGOING LIMITATION OF LIABILITY REPRESENTS THE ALLOCATION OF RISK BETWEEN THE PARTIES AND IS AN ESSENTIAL ELEMENT OF THE BASIS OF THE BARGAIN BETWEEN THE PARTIES.

20.2. No Party shall, by reason of the termination or non-renewal of this Agreement, be liable to the others for any indemnification, compensation, reimbursement or damages on account of the loss of prospective profits on anticipated sales, or on account of expenditures, investments, leases or commitments in connection with the business or goodwill of any Party, or otherwise.

21. **Notices.** All notices and other communications provided herein shall be in writing and effective upon the earliest of: (a) delivery to the recipient personally by messenger or overnight carrier service; (b) three (3) business days after deposit in a sealed envelope in the United States mail, postage prepaid by registered or certified mail, return receipt requested, addressed to the recipient as set forth below; or, (c) one (1) business day after being sent by facsimile transmission or electronic mail. If the date on which any notice to be given hereunder falls on a Saturday, Sunday or legal holiday, then such date shall automatically be extended to the next business day immediately following such Saturday, Sunday or legal holiday. Notices, communications and change of address shall be sent to the parties at the following address, unless otherwise notified in writing.

If to the Manager, then to:
Brick City Productions Inc. 1547 Palos Verde Mall #297
Walnut Creek, California 94597
E-mail: gdmconsultantsinc@gmail.com

If to the Company, then to:

Unrivaled Brands, Inc.
3242 S. Halladay St.
Santa Ana, CA. 92705
Email: rbaca@unrivaledbrands.com

A Party may change the address to which notices, requests, demands, claims, and other communications hereunder are to be delivered by giving the other Party notice in the manner herein set forth.

22. **Dispute Resolution.** In the event that any disagreement, dispute or claim arises among the Parties hereto with respect to the enforcement or interpretation of this Agreement (collectively, a “**Dispute**”), such Dispute shall be settled in accordance with the following procedures:

22.1. **Informal Resolution & Mediation.** The Parties shall first attempt in good faith to resolve their dispute through in-person negotiation between authorized representatives of each of the Parties with authority to settle the relevant Dispute. Either Party may commence this negotiation by delivering written notice to the other Party pursuant to the terms outlined in this Agreement. The Parties may agree to engage the services of a jointly agreed-upon mediator to facilitate this in-person meeting, in which case they agree to share equally in the costs of the mediation. If the Dispute cannot be settled amicably within fourteen (14) days of delivery of written notice or the in-person meeting of authorized representatives, whichever comes later, then the Dispute shall be resolved through arbitration.

22.2. **Arbitration.** Any Dispute shall be submitted to and resolved by binding arbitration (the “**Arbitration**”). The Arbitration shall be initiated by a Party by delivering written notice of intent to arbitrate to the other Parties in accordance with **Section 21**. Within thirty (30) days after delivery of such notice, unless the Parties mutually agree otherwise, the Arbitration shall be initiated and administered by and in accordance with the then current Rules of JAMS. The Arbitration shall be held in Alameda County, unless the parties mutually agree to have such proceeding in some other locale, before a single disinterested third-party arbitrator. The arbitrator shall apply California substantive law and shall have the power to enforce the rights, remedies, duties, liabilities and obligations of discovery by the imposition of the same terms, conditions and penalties as can be imposed in like circumstances in a civil action by a court of competent jurisdiction of the State of California. The arbitrator shall have the power to grant all legal and equitable remedies provided by California law and award compensatory damages provided by California law, except that punitive damages shall not be awarded. The arbitration award shall be final and binding upon the Parties and may be enforced through an action thereon brought in the Superior Court for the State of California in Alameda County.

22.3. **Attorney's Fees and Costs.** The prevailing Party in any Arbitration hereunder shall be awarded reasonable attorneys' fees, expert and non-expert witness costs and any other expenses incurred directly or indirectly with said Arbitration, including without limitation the fees and expenses of the arbitrator(s). Any Party shall have the right to recover all reasonable attorney's fees and costs incurred to enforce any judgment and/or collect any monies due pursuant to this Agreement, in addition to any other relief or damages to which such Party may be entitled.

22.4. EACH PARTY ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY WHICH MAY ARISE UNDER THIS AGREEMENT OR THE OTHER TRANSACTION DOCUMENTS IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES AND, THEREFORE, EACH SUCH PARTY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LEGAL ACTION ARISING OUT OF OR RELATING TO THIS AGREEMENT, THE OTHER TRANSACTION DOCUMENTS OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY. EACH PARTY TO THIS AGREEMENT CERTIFIES AND ACKNOWLEDGES THAT (A) NO REPRESENTATIVE OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT SEEK TO ENFORCE THE FOREGOING WAIVER IN THE EVENT OF A LEGAL ACTION, (B) SUCH PARTY HAS CONSIDERED THE IMPLICATIONS OF THIS WAIVER, (C) SUCH PARTY MAKES THIS WAIVER VOLUNTARILY, AND (D) SUCH PARTY HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 22.3. IF ANY PARTY REFUSES TO SUBMIT TO ARBITRATION, SUCH PARTY MAY BE COMPELLED TO ARBITRATE UNDER THE AUTHORITY OF THE CALIFORNIA CODE OF CIVIL PROCEDURE OR OTHER APPLICABLE LAW.

23. **Assignments.** No Party may assign either this Agreement or any of his, her, or its rights, interests, or obligations hereunder without the prior written approval of the other Party.

24. **Entire Agreement.** The Recitals and all Exhibits to this Agreement are hereby incorporated by reference into, and made a part of, this Agreement. This Agreement, together with the Recitals and all Exhibits, contains the entire agreement and understanding between the Parties with respect to the subject matter of this Agreement and supersedes all prior and contemporaneous agreements, understandings, inducements, and conditions, express or implied, oral or written, of any nature whatsoever with respect to the subject matter of this Agreement. The express terms of this Agreement control and supersede any course of performance and usage of the trade inconsistent with any of the terms of this Agreement.

25. **Severability.** In the event that any provision of this Agreement is deemed unlawful or otherwise unenforceable by any tribunal of competent jurisdiction, that provision will be changed and interpreted to accomplish the objectives of the provision to the greatest extent possible under applicable law and the remaining provisions will continue in full force and effect. Each and every provision or restriction set forth in this Agreement is independent and severable from the others, and no provision or restriction will be rendered unenforceable by virtue of the fact that, for any reason, any other provision or restriction may be unenforceable in whole or in part.

26. **Amendment; Waiver.** This Agreement may not be modified or amended other than by an agreement in writing signed by the Parties. Any waiver or failure to enforce any provision of this Agreement on one occasion will not be deemed a waiver of any other provision or of that provision on any other occasion. No waiver will be effective unless it is in writing and is signed by the Party asserted to have granted that waiver.

27. **No Third-Party Beneficiaries.** This Agreement does not and is not intended to confer any rights or remedies in this Agreement to any person or entity other than the Parties. All duties and responsibilities undertaken under this Agreement are for the sole and exclusive benefit of the Parties and not for the benefit of any other party.

28. **Further Assurances.** Each Party will perform any further acts and execute and deliver any documents that may be reasonably necessary or appropriate to fully carry out the provisions, intent, and purposes of this Agreement.

29. **Headings and Construction.** The titles and headings to Sections in this Agreement are inserted for the convenience of reference only and are not intended to be a part of or to affect the meaning or interpretation of this Agreement. All use of the words "include" and "including" mean "include/including without limitation."

30. **Governing Law and Jurisdiction.** This Agreement will be governed by and construed in accordance with the laws of the State of California without regard to conflicts of laws principles. Each of the Parties hereby consents to the jurisdiction of the state and federal courts located in Alameda County, California and waives any objections to venue and any claim that the forum is inconvenient.

31. **Equitable Relief.** The Company acknowledges and agrees that the actual or threatened breach of Section 17 will cause irreparable damage to the Manager for which an adequate remedy at law does not exist; and, in the event of such a breach or threatened breach, the Manager will have, in addition to any and all remedies of law, the right to seek equitable relief, including injunctive relief, without the requirement of posting bond or other security.

32. **Relationship of Parties.** The relationship of the Parties is that of independent contractors and nothing contained under this Agreement will be deemed to create any relationship of agency, partnership, employment or the like. No Party will have any power or authority to obligate or bind the other in any manner whatsoever, except as specifically provided in this Agreement. The Manager will be solely responsible for compensating each of its employees performing the Services and withholding any sums from amounts payable to such employees with respect to federal, state or local taxes, FICA contributions and unemployment insurance.

33. **Representation by Counsel.** Each Party acknowledges and agrees that it is represented by legal counsel (or had the opportunity to be represented by legal counsel) in connection with this Agreement and that it and its counsel have reviewed and revised this Agreement, or have had an opportunity to do so, and that any rule of construction to the effect that ambiguities are to be resolved against the drafting Party will not be employed in the interpretation of this Agreement, any Exhibits, or any amendments to this Agreement or Exhibits.

34. Legal Compliance and Condition of Performance.

34.1. The Parties represent and agree that they will use all reasonable and appropriate efforts to assure that those activities required or undertaken by them, their respective employees, and/or their respective agents pursuant to the terms of this Agreement are in compliance with Applicable Law, including, but not limited to, state statutes and regulations that specifically apply to licensed cannabis retailers, cultivators, manufacturers, and distributors, statutes and regulations that specifically apply to the sale, cultivation, manufacturing, and distribution and/or use of controlled substances or narcotics and all applicable standards and rules of licensing and accrediting agencies with jurisdiction over either Party.

34.2. The Parties further agree that the validity, enforceability, and performance of this Agreement is expressly conditioned upon the lawfulness of owning and/or operating a business engaged in the licensed commercial cannabis activity under Applicable Law.

35. Upon promulgation of any new Applicable Laws or amendments to Applicable Laws which pose or may pose a significant regulatory or other legal risk to either Party, or if it is determined by an authority having jurisdiction over the Company that a term or provision contained herein is noncompliant with an existing Applicable Law, the Parties shall negotiate in good faith and shall amend this Agreement to the least extent possible while still satisfying Applicable Law. If the Parties are unable to agree upon an amendment within thirty (30) days after commencing negotiations, either Party may submit the matter to Arbitration pursuant to Section 22 of this Agreement; provided, however, that in addition to any other relevant evidence that a Party may present, each Party shall submit its proposed amendment and the arbitrator shall decide which version most effectively carries out the intent of this Section 35.

36. **Counterparts.** This Agreement may be executed in counterparts, each of which will be considered an original, and all of which together will constitute one and the same instrument. Signatures may be given by facsimile or other electronic transmission (*e.g.*, DocuSign or EchoSign), and such signatures will be fully binding on the Party sending the same. Any xerographic, .PDF, or similar copy of this Agreement, with all signatures reproduced on one or more sets of signature pages, will be considered for all purposes as if it were an executed counterpart of this Agreement.

[Signature page Follows]

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

**MANAGER:
BRICK CITY PRODUCTIONS, INC.**

By:
Print Name: Alicia Cotta
Title: Authorized Signatory

COMPANY:

BLUM SAN LEANDRO

By:
Print Name: Sabas Carrillo
Title: Authorized Signatory

UNRIVALED BRANDS, INC.

By:
Print Name: Sabas Carrillo
Title: CEO

EXHIBIT A

SERVICES

1. Manager shall control all aspects of the Operations at the Premises during the Term, including but not limited to:

a. Operation Management and Management Support. Except as otherwise set forth in Section 2 of this Exhibit A, Manager shall be exclusively responsible for performing, pursuant to the authorization granted by Company in Section 1, all of Company's management services and management support services and rights related to the Operation, including but not limited to recruiting and employees and officers, negotiating employment agreements and terms and developing management protocol consistent with industry standards. Management and management support personnel may be employees of Manager (or its affiliates) and may participate in Manager's (or its affiliates') benefits programs, at Manager's sole discretion.

b. Inventory Management. Manager shall be solely responsible for the purchasing and management of all Operation inventory, from original wholesale purchase through retail disposition, including but not limited to the selection and administration of enterprise resource planning, inventory tracking, and other logistics systems.

c. Legal Support. Manager may at its discretion provide legal services in connection with the day-to-day operations of the Operation, to ensure compliance with applicable law and the representation of the Company's legal interests as holder of the Licenses. Legal support personnel may be employees of Manager (or its affiliates) and may participate in Manager's (or its affiliates') benefits programs, including equity compensation plans, in Manager's sole discretion.

d. Labor Administration. Manager shall be exclusively responsible for hiring and terminating the employees who work primarily or exclusively for the Operation on behalf of the Company and maintaining required employment records. Manager shall have the right to be involved in and/or approve of any labor negotiations and planning sessions which relate to the Operation, including any interactions or communications with labor unions.

e. Employees. Manager may provide permanent and/or temporary employees to support the operations of the Operation. The employees may be employees of Manager (or its affiliates) and may participate in Manager's (or its affiliates') benefits programs, including equity compensation plans, in Manager's sole discretion.

f. Payroll and Benefits Services. Manager shall be exclusively responsible for causing the Company to manage payroll, benefits, and related matters for all employees who work primarily or exclusively for the Operation.

g. Vendor Relations. Manager shall be exclusively responsible for maintaining all vendor relationships related to the Operation.

h. Customer Service. Manager shall be exclusively responsible for interacting with all Customers in connection with the Operation.

i. Marketing and Branding. Manager shall be exclusively responsible for creating and maintaining marketing and branding systems in connection with the Operation.

j. Utilities and Maintenance: At all times, provide adequate utilities and physical conditions for the operation of the Operation, including ensuring that the Operation is in compliance with all terms and conditions of the Lease and any applicable state and local regulations.

k. Banking. Manager, in collaboration with Company as necessary or as required by applicable law or the pertinent banks or other financial institutions, shall be responsible for obtaining and maintaining banking relationships in connection with the Operation. The Company will provide all assistance reasonably requested by Manager related to the creation and maintenance of these banking relationships and related bank accounts.

l. Filings. Manager, in collaboration with Company and Unrivald as necessary or as required by applicable law or the pertinent regulators, shall be responsible for all of the regulatory and other filings that are required or otherwise necessary in connection with the Operation. The Company and Unrivald will provide all assistance reasonably requested by Manager related to filings and other similar actions.

2. Without limiting the Company's obligations as otherwise set forth in this Agreement, Unrivald and Company shall perform the following services in connection with the Operation:

a. License(s) Maintenance. During the Term, Unrivald and Company shall take all reasonable actions required, or requested by Manager, in furtherance of preserving the status and validity of the License(s).

b. Premises. At all times, dedicate all Premises space for the Operation as operated by Manager.

c. Business Access: Subject to all direction provided by Manager pursuant to this Agreement and its approval in all respects, provide adequate security and Premises access control (including key cards and/or badges) as mutually agreed by the Parties.

d. Banking. Unrivald and Company shall cooperate with Manager in order to establish and maintain the Manager Account, and the relevant banking and payment processing relationships as set forth in this Agreement, and shall provide all documentation, assistance, and approvals reasonably requested by Manager in furtherance thereof.

e. Professional Services. Unrivald and Company shall be responsible for providing the Operation with corporate, legal, compliance, accounting and finance support.

f. Liabilities. Company shall be liable for any and all obligations and liabilities related to the Operation prior to the transfer of management control pursuant to the Agreement and shall indemnify and hold harmless the Manager for obligation or liabilities that arise from events or circumstances prior to the Manager assuming management controls. For the avoidance of doubt, the Manager will not be liable for future litigation, audits, or similarly situated liabilities and costs except for those liabilities and costs arising from Manager fraud or gross negligence.

g. Taxes. Unrivald shall be responsible causing the Company to pay for any and all taxes imposed on Company in connection with Company's ownership of the Company, including but not limited to, FICA taxes, worker's compensation insurance premiums, unemployment, city, state and federal income taxes (including without limitation taxes imposed with respect to Internal Revenue Code 280(e)), and any such withholding payments required under state or federal law, as well as vacation pay, paid sick leave, retirement benefits, and employee benefits of any kind whatsoever for all Personnel that are employees of Company. Upon Company's written request, Manager shall provide evidence, reasonably satisfactory to Company, to assist Company in this regard, including, but not limited to, evidence of workers' compensation coverage and payment of employment-related taxes.

Unrivaled Brands Announces Operational Updates and Executive Appointments

SANTA ANA, Calif., January 4, 2023 (GLOBE NEWSWIRE) – Unrivaled Brands, Inc. (OTCQB: UNRV) (“Unrivaled,” “Unrivaled Brands,” or the “Company”), a cannabis company with operations in California, reopens its Blum San Leandro dispensary, spins off two Oregon assets, and names Sabas Carrillo as Chief Executive Officer and as a member of the board of directors, Tracy McCourt as its Chief Revenue Officer, and Jim Miller as its Chief Operating Officer.

Operational Updates

On December 28, 2022, the Company closed on a Management Services Agreement (the “MSA”) with Brick City Productions, Inc. (the “Operator”) to re-open and fully operate the Company’s San Leandro dispensary, including operations management, inventory management, labor administration, vendor relations, and customer service for a term of 12 months. The Operator is also providing the working capital required to re-open the store pursuant to a promissory note providing for up to \$400,000. As consideration for such services, the Company will pay a management fee equal to 25% of the gross revenue less discounts, refunds and credits payable in shares of the Company’s common stock at the completion of the MSA. The Company will receive a monthly fee equal to 4% of the gross revenue of the San Leandro dispensary. In addition, the Operator will dedicate and use up to 50% of the San Leandro dispensary to sell the Company’s licensed products. “I’m grateful to the Brick City team for jumping in and reopening the store for us and for providing the working capital needed” Sabas Carrillo Unrivaled’s CEO said. “The Brick City team has been operating cannabis retail for over 20 years and has a track record of opening and operating over 10 cannabis retail among other cannabis assets including cultivation, manufacturing, distribution and brands” continued Sabas, “This partnership represents a catalyst for our teams continuing to work together on other near team projects.”

On December 28, 2022, Unrivaled entered into a Stock Purchase and Sale Agreement pursuant to which the Company sold all of its equity interests in LTRMN, Inc., which conducts cannabis distribution and wholesale activities in Oregon, to Buchanan Group, LLC and an unaffiliated third-party buyer, for an aggregate purchase price of \$250,000. The purchase price was paid in the form of a secured promissory note at a rate of 8.0% per annum due and payable on the third anniversary of the date of issuance. However, upon a final and binding settlement of certain ongoing litigation that is approved by UMBRLA, the purchase price shall be automatically revised to be \$0 and the promissory note shall be deemed paid and satisfied in-full.

On December 28, 2022, Unrivaled entered into a Membership Interest Purchase and Sale Agreement pursuant to which the Company sold its 50% equity interests in Psychonaut Oregon, LLC (“Psychonaut”), to Joseph Gerlach for an aggregate purchase price of \$1. Mr. Gerlach owns the other 50% of the equity interests in Psychonaut and is also the Company’s Chief Cultivation Officer. As part of the transaction, Mr. Gerlach assumed a five-year lease liability of \$500,000 in remaining lease payments and the assumption of all operational liabilities and expenditures, including payroll and related expenses for Psychonaut employees.

In connection with the sale of Psychonaut, the Company entered into an unsecured promissory note dated December 28, 2022 (the “Psychonaut Note”) pursuant to which the Company will consolidate all current liabilities due to Mr. Gerlach totaling \$153,798. The Psychonaut Note accrues interest at a rate of 1.0% per annum and is due and payable on the fifth anniversary of the date of issuance.

“The completion of the spinoff of the LTRMN and Psychonaut Oregon assets will allow the Company to focus on California operations and more effectively allocate our resources and capital as well as streamline our operations” said Sabas.

Executive Appointments

Mr. Carrillo has served as Unrivaled's Interim Chief Executive Officer since August 2022 and will now serve as Unrivaled's Chief Executive Officer and as a member of its board of directors.

Ms. McCourt is a leader and pioneer in retail, marketing, e-commerce, sales and product management bringing over 20 years of experience. Ms. McCourt has developed growth strategies for highly successful brands including Zappos, Skechers, Guess, Murad, Frederick's of Hollywood, and most recently, MedMen Enterprises Inc., where she also served as Chief Revenue Officer. In this role, she reported directly to the Chief Executive Officer and lead the omni-channel marketing strategy as well as MedMen's product, merchandising and business intelligence efforts. Prior to that, she led the strategy for the brand affinity team at Zappos.

Mr. Miller most recently served as Chief Financial Officer of Operators Only, Inc., a cannabis operations service provider supporting Cookies-branded retail and cultivation licensees, from January 2022 to October 2022. Mr. Miller was Corporate Controller at 3PL Central LLC, a private equity owned e-commerce WMS provider, from February 2020 until December 2021. Previously, Mr. Miller served as interim Chief Financial Officer and was the Vice President of Accounting at MedMen Enterprises Inc. from January 2018 until December 2019, where he was responsible for financial reporting, financial controls and various operating departments through its formation, initial public offering and subsequent growth stage. He was also Chief Financial Officer of MedMen's affiliated Treehouse Real Estate Investment Trust from December 2018 until October 2019. Mr. Miller has held several senior executive and finance roles at leading entertainment firms such as the Walt Disney Company and Viacom as well as various technology and e-commerce companies.

"I am delighted to be adding two formidable executives to our management team that bring years of cannabis retail experience, e-commerce, real estate, public company operations, and are the kind of executives that roll-up their sleeves and jump in" said Sabas. "With Tracy and Jim on our team, we look to leverage their leadership, strategic planning, industry connections and their bias for execution to contribute to the success and durability of the Company" continued Sabas.

About Unrivaled Brands

Unrivaled Brands is a company focused on the cannabis sector with operations in California. Unrivaled Brands operates four dispensaries and direct-to-consumer delivery, a cultivation facility, and several leading company-owned brands. Unrivaled Brands is home to Korova, known for its high potency products across multiple product categories, currently available in California, Oregon, Arizona, and Oklahoma.

For more info, please visit: <https://unrivaledbrands.com>.

Cautionary Language Concerning Forward-Looking Statements

Certain statements contained in this communication regarding matters that are not historical facts, are forward-looking statements within the meaning of Section 21E of the Securities and Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995, known as the PSLRA. These include statements regarding management's intentions, plans, beliefs, expectations, or forecasts for the future, and, therefore, you are cautioned not to place undue reliance on them. No forward-looking statement can be guaranteed, and actual results may differ materially from those projected. The Company undertakes no obligation to publicly update any forward-looking statement, whether as a result of new information, future events or otherwise, except to the extent required by law. The Company uses words such as "anticipates," "believes," "plans," "expects," "projects," "future," "intends," "may," "will," "should," "could," "estimates," "predicts," "potential," "continue," "guidance," and similar expressions to identify these forward-looking statements that are intended to be covered by the safe-harbor provisions of the PSLRA. Such forward-looking statements are based on the Company's expectations and involve risks and uncertainties; consequently, actual results may differ materially from those expressed or implied in the statements due to a number of factors.

New factors emerge from time-to-time and it is not possible for the Company to predict all such factors, nor can the Company assess the impact of each such factor on the business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements. These risks, as well as other risks associated with the combination, will be more fully discussed in the Company's reports with the SEC. Additional risks and uncertainties are identified and discussed in the "Risk Factors" section of the Company's Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and other documents filed from time to time with the SEC. Forward-looking statements included in this release are based on information available to the Company as of the date of this release. The Company undertakes no obligation to update such forward-looking statements to reflect events or circumstances after the date of this release.

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