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**PURCHASE AND SALE OF FUTURE RECEIVABLES**

This Purchase and Sale of Future Receivables (“**Agreement**”) is a legally binding contract between you as a licensed cannabis business (the “**Seller**” or “**you**”) and FC Capital Holdings, LLC d/b/a ReadyPaid (“**ReadyPaid” or “Purchaser**”) regarding your use of the ReadyPaid Net 30 offering (the “**Program**”). By participating in the Program, you agree to these Agreement terms, the Privacy Policy, and all other terms, policies and guidelines applicable to your use of the Program. Defined terms used herein will have the same meaning as in the Agreement, as applicable unless otherwise defined herein.

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| --- | --- | --- | --- | --- |
| Agreement #: {{OPPORTUNITY\_AGREEMENT\_NUMBER}} | | Date: {{OPPORTUNITY\_DATE\_ON\_DOCS}} | | |
| Seller: {{OPPORTUNITY\_ACCOUNT\_NAME}} | | | | |
| DBA: {{OPPORTUNITY\_ACCOUNT\_DBA}} | | | | |
| Business Address: {{OPPORTUNITY\_ACCOUNT\_SHIPPINGSTREET}} | | | | |
| City/State/Zip: {{OPPORTUNITY\_ACCOUNT\_SHIPPINGCITY}} {{OPPORTUNITY\_ACCOUNT\_SHIPPINGSTATE}} {{OPPORTUNITY\_ACCOUNT\_SHIPPINGPOSTALCODE}} | | | Business Phone: {{OPPORTUNITY\_OPPORTUNITYCONTACTROLES\_SIGNER\_CONTACT\_MOBILEPHONE}} | |
| Email Address: {{OPPORTUNITY\_OPPORTUNITYCONTACTROLES\_SIGNER\_CONTACT\_EMAIL}} | | | Federal Tax ID Number: {{OPPORTUNITY\_ACCOUNT\_FEDERAL\_TAX\_ID}} | |
| Name of Primary Authorized Signer: {{OPPORTUNITY\_OPPORTUNITYCONTACTROLES\_SIGNER\_CONTACT\_NAME}} | | | | |
| Purchase Price: ${{OPPORTUNITY\_FUNDED\_AMOUNT}} | | Purchased Amount: ${{OPPORTUNITY\_REPAYMENT\_AMOUNT}} | | |
| Purchased Percentage: {{OPPORTUNITY\_RETRIEVAL\_RATE}} | | Weekly Remittance after Due Date: ${{OPPORTUNITY\_PAYMENT\_AMOUNT}} | | |
| Funding Program: Net 30 Flex | | Due Date:{{OPPORTUNITY\_DUE\_DATE}} | | |
| Designated Account Information [1] | | | | |
| Bank: {{OPPORTUNITY\_FC\_APPLICATIONS\_BANK\_NAME}} | Account No.: {{OPPORTUNITY\_FC\_APPLICATIONS\_ACCOUNT\_NUMBER}} | | | Routing No: {{OPPORTUNITY\_FC\_APPLICATIONS\_ROUTING\_NUMBER}} |

[1] The term “Designated Account” means a business checking account maintained by Seller at a federally insured financial institution identified as the initial Designated Account by the execution of Attachment B (“Authorization Agreement for Direct Deposits (ACH Credit) and Direct Payments (ACH Debit)”) hereto, which is incorporated herein and made a part of this Agreement, and any other depository account maintained by Seller, wherever located, which is subsequently identified by Seller as a Designated Account. The Designated Account must be used solely for business purposes, and not for personal, family, or household purposes. All capitalized terms not herein defined shall have the meaning set forth in the Uniform Commercial Code.

USER

**This Agreement for the Purchase and Sale of Future Receivables (the “Agreement”) as dated above (“Effective Date”), is made between FC Capital Holdings, LLC d/b/a ReadyPaid (together with its successors and/or assigns, the “Purchaser”) and the entity set forth above (the “Seller”).**

WHEREAS, Purchaser, in its ordinary course of business, funding through the purchase of future receivables, underwritten in accordance with Purchaser’s underwriting standards and subject to such terms and conditions as are set forth in this Agreement; and

WHEREAS, Seller wishes to sell, assign and transfer without recourse (except to the extent provided herein), and the Purchaser wishes to purchase, for the purchase price set out above, a specified percentage of the future receivables of the Seller, in the total amount set out above.

NOW, THEREFORE, in consideration of the mutual covenants, agreements and promises herein contained and intending to be legally bound, Purchaser and Seller agree as follows:

**1. PURCHASE AND SALE TRANSACTION**

1.1 Sale; Amount Sold; Purchase Price. Seller hereby sells to Purchaser all of Seller’s right, title and interest in a finite amount of Seller’s Future Receivables, as defined herein, the dollar value of which is {{OPPORTUNITY\_REPAYMENT\_AMOUNT}} (the “Purchased Amount”), in exchange for the purchase price of {{OPPORTUNITY\_FUNDED\_AMOUNT}} (the “Purchase Price”).

1.2 Intent of the Parties; Transaction Not a Loan. Seller and Purchaser agree that the Purchase Price under this Agreement is in exchange for the Purchased Amount and that such Purchase Price is not intended to be, nor shall it be construed as, a loan from the Purchaser to the Seller. Purchaser has purchased and shall own all of Seller’s right, title and interest in [\*]of Seller’s Future Receivables (the “Purchased Percentage”) up to the full Purchased Amount as Seller’s Future Receivables are created. It is further the intent of the parties that this purchase and sale transaction shall constitute a sale of accounts as such term is used in Article 9 of the Uniform Commercial Code, and that such purchase and sale shall provide the Purchaser with the full benefits of ownership of the purchased Future Receivables. It is agreed and acknowledged by the Parties that this purchase and sale transaction has no predetermined term and that the remedies available to Purchaser are those available as a party to this Agreement for breach of this Agreement and those available as the rightful owner of the Purchased Amount of Seller’s Future Receivables. Further, if Seller’s business declines, if Seller files for bankruptcy relief, or if Seller’s business enterprise closes in due course, other than as the result of a breach of this Agreement or deliberate acts or omissions by the Seller to frustrate performance of the terms of this Agreement, Seller will not, as a result of such decline, bankruptcy filing, or closing, be in default under this Agreement.

1.3 Future Receivables Defined. When used anywhere in this Agreement, the term “Future Receivables” means: all payments of monies received by Seller in satisfaction of amounts owed to Seller in connection with or in satisfaction of Seller’s accounts, future accounts, contract rights, and any other financial obligations owed to Seller in the ordinary course of business.

1.4 No Recourse. The purchase and sale transaction contemplated in this Agreement is made without recourse and constitutes a true sale of the purchased Future Receivables. Except as expressly set forth in this Agreement, Seller shall have no right to repurchase, pledge or resell the purchased Future Receivables. Seller shall have no obligation to make remittances except from the proceeds of Seller’s Future Receivables.

1.5 Reliance on Representations and Warranties. Purchaser is entering this Agreement knowing the risks that the business enterprise of Seller may decline or fail. Purchaser assumes these risks based on and acting in reliance on Seller’s representations, warranties, and covenants in this Agreement, which are intended to give Purchaser a reasonable and fair opportunity to receive the benefit of its bargain.

1.6 Authorization to File Financing Statements. Seller acknowledges that it is selling its Future Receivables to Purchaser, and as such, hereby authorizes Purchaser to file a financing statement pursuant to the Uniform Commercial Code (“UCC”) to evidence such sale. The UCC financing statement may state that the sale of the Future Receivables is intended to be a sale and not an assignment for security. Seller agrees to execute any documents or take any action in connection with this Agreement that Purchaser deems necessary to perfect or maintain Purchaser’s interest in the Future Receivables purchased pursuant to this Agreement.

1.7 Date of Purchase; Disbursement of Funds. Seller and Purchaser hereby agree that the Purchaser may purchase the purchased future receivables on a date not less than one (1) business day nor more than ten (10) business days after the Effective Date (the “Purchase Period”), at Purchaser’s sole discretion. Seller and Purchaser further agree that Purchaser, at any time during the Purchase Period, may at its sole discretion, purchase or refuse to purchase Seller’s Future Receivables that are the subject of this Agreement for any or no reason, subject to applicable law. Seller and Purchaser further agree that Purchaser shall provide payment of the Purchase Price through any commercially reasonable method, at the Purchaser’s sole discretion, including, but not limited to, check, federal funds wire, or ACH transfer. Seller hereby authorizes Purchaser to disburse funds in the amount of the Purchase Price, less applicable fees and charges, if any, by paying one or more suppliers of Seller, pursuant to instructions provided by Seller and/or such supplier(s), for goods or services provided by such supplier(s) (the date of such payment shall be referred to herein as the “Purchase Date”).

**2. REMITTANCE OF PURCHASED AMOUNT / ACH AUTHORIZATIONS**

2.1 Remittance of Purchased Amount. Seller hereby agrees to remit to Purchaser the U.S. dollars equivalent to the Purchased Amount of Seller’s Future Receivables 30 calendar days from the Purchase Date (the “Due Date”) or, if the Due Date occurs on a a weekend or holiday on which Seller’s financial institution is not open for business, on the next date such institution is open for business. Alternatively, if Seller elects to not remit the Purchased Amount on the Due Date, Seller will instead make weekly remittances, in the amount provided on the cover of this agreement which is calculated as the Purchased Percentage of Seller’s future receivables (the “Remittance,” as further defined below), until such time as the Purchased Amount has been delivered.

2.2 Calculation of Remittances. In order to minimize the administrative costs associated with determining and remitting the actual Purchased Percentage of Seller’s Future Receivables each month, Purchaser shall calculate a dollar amount to be remitted by Seller each month, which amount shall be approximately equal to the Purchased Percentage of Seller’s projected Future Receivables each month based on the historical revenue information supplied to the Purchaser by the Seller (the “Remittance”). As of the date of this Agreement and throughout the life of the Agreement, unless modified pursuant to Section 2.3 below, the Remittance shall be [\*] (the “Initial Remittance”). By executing this Agreement, Seller hereby acknowledges that the dollar amount of the Initial Remittance, set forth above, accurately represents a reasonable projection of the Purchased Percentage of Seller’s Future Receivables for each month as of the Effective Date. The Initial Remittance shall remain in effect for each succeeding one (1) month period, unless and until a recalculation of the Remittance for any succeeding payment period is requested by the Seller or Pur

2.3 Reconciliation of Remittances. Seller agrees that it is impossible for Purchaser to know the exact amount of Seller’s Future Receivables generated in any given calendar month without first obtaining such information from Seller. At any time prior to Seller’s remittance of the full Purchased Amount, either Seller or Purchaser may give written notice to the other party requesting a reconciliation to determine whether Purchaser received an amount greater or less than the Purchased Amount of Seller’s Future Receivables (“Reconciliation”). Any written request made under this section must be made Prior to the Due Date and shall be sent as to the following email addresses: to Purchaser: servicing@fundcanna.com and to Seller {{OPPORTUNITY\_OPPORTUNITYCONTACTROLES\_SIGNER\_CONTACT\_EMAIL}} (the “Reconciliation Notice”). Seller shall either provide Purchaser with online access to its Designated Account or, at Purchaser’s request, provide bank statements showing the activity related to the Designated Account for the previous month (the “Reconciliation Period”) within five (5) days after sending or receiving any Reconciliation Notice. If Seller does not provide a timely Reconciliation Notice or does not provide access to the Designated Account or bank statements within the time frame provided, Seller will have waived its rights to any Reconciliation.

2.3.1 Change to the Remittance: Within five days of Purchaser’s reasonable verification of

Seller’s Future Receivables actually generated during the Reconciliation Period, Purchaser shall adjust the Remittance on a going-forward basis to more closely reflect the Seller’s actual average Future Receivables times the Purchased Percentage. Purchaser will notify Seller prior to any such adjustment. After each adjustment made pursuant to this paragraph, the new dollar amount shall be deemed the Remittance until any subsequent adjustment.

2.3.2 Reconciliation Waiver: If Seller does not provide a timely Reconciliation Notice or does not

provide access to the Designated Account or the required bank statements within the time frame provided, Seller will have waived its rights to any reconciliation under section 2.3 for that calendar month.

2.3.3 Reconciliation Reset: If at any time during the performance of this Agreement, Purchaser provides Seller with a Reconciliation Notice in conformity with the procedure outlined herein and Seller fails to provide Purchaser with either access to or bank statements from the Designated Account within five (5) days of the Reconciliation Notice, Purchaser has the right to reset the Remittance to the Initial Remittance amount.

2.4 ACH Authorization. Seller hereby authorizes Purchaser to initiate electronic debit or credit entries through the Automated Clearing House (“ACH”) system to the Designated Account or any other depository account maintained by the Seller wherever located in the amount of the then effective Remittance, as well as any applicable fees or charges owing under this Agreement. Seller will give the Purchaser at least five (5) business days prior notice if it intends to change the Designated Account or add an additional Designated Account and will at that time submit an Authorization Agreement for Direct Deposits (ACH Credit) and Direct Payments (ACH Debit) in the form of Attachment B hereto with reference to such newly established Designated Account.

2.5 Default Authorization. If an Event of Default occurs, Seller hereby authorizes Purchaser to initiate one or more ACH debit entries to the Designated Account or any other depository account maintained by the Seller wherever located in the amount of any portion of the Purchased Amount that was not remitted to Purchaser prior to the initiation of such debit entries, as well as any other amounts due and owing, including any other Purchase and Sale of Future Recievable Agreements between Seller and Purchaser whether or not an event of default has occurred under the terms of such other Agreements, pursuant to the default provisions set forth in Sections 4.1, 4.2 and 4.3 of this Agreement. Further, Seller hereby authorizes any and all financial institutions at which the Designated Account or any other depository account is maintained by the Seller to accept each such ACH debit entry and to charge each such ACH debit entry initiated by Purchaser to any such account maintained by Seller. Seller understands and acknowledges that the default authorization contained in this Section 2.5 is a fundamental condition to induce Purchaser to enter into this Agreement. Consequently, such default authorization is irrevocable. If Seller terminates this default authorization or takes any action to impede or prevent the transaction(s) contemplated hereby, such termination or action shall, of itself, be an Event of Default, under Section 4.1 of this Agreement.

2.6 Security Interest. As collateral securing all Seller’s present and future obligations owing by Seller to Purchaser, whether arising hereunder or otherwise, and whether arising before, during or after the commencement of any bankruptcy case in which Seller is a debtor, Seller grants to Purchaser a continuing security interest in all Seller’s now owned and hereafter acquired Accounts, Chattel Paper, Equipment, Instruments, Investment Property, Documents, Letter of Credit Rights, Commercial Tort Claims, Deposit Accounts and General Intangibles (including but not limited to all trade secrets, know-how and other proprietary information; trademarks, trademark applications, internet domain names, service marks, trade dress, trade names, business names, designs, logos, slogans (and all translations, adaptations, derivations and combinations of the foregoing) indicia and other source and/or business identifiers, and all registrations or applications for registrations which have heretofore been or may hereafter be issued thereon throughout the world; copyrights and copyright applications; (including copyrights for computer programs) and all tangible and intangible property embodying the copyrights, unpatented inventions (whether or not patentable); patents and patent applications; industrial design applications and registered industrial designs; license agreements related to any of the foregoing and income therefrom; books, records, writings, computer tapes or disks, flow diagrams, specification sheets, computer software, source codes, object codes, executable code, data, databases and other physical manifestations, embodiments or incorporations of any of the foregoing; all other intellectual property; and all common law and other rights throughout the world in and to all of the foregoing), and the proceeds thereof.

**3. REPRESENTATIONS, WARRANTIES AND COVENANTS**

3.1 Representations, Warranties and Covenants of Seller. Seller represents, warrants and covenants that as of the Effective Date of, and unless expressly stated otherwise during the course of, this Agreement: (i) the Future Receivables are freely assignable to Purchaser and are not subject to any claims, charges, liens, restrictions, encumbrances or security interests of any nature whatsoever; (ii) Seller will not sell any Future Receivables to, or obtain a loan secured by any Future Receivables from, any other person or entity (an act commonly referred to as “stacking”) without Purchaser’s prior written consent; (iii) this Agreement does not violate the terms of any other agreement to which Seller is subject (including but not limited to any other sale of future receipts agreement, any loan agreement, organizational documents, etc.); (iv) Seller will not take any action to discourage or prevent the deposit of all Future Receivables into the Designated Account; (v) Seller will not deposit funds arising from Future Receivables into a bank account other than the Designated Account without Purchaser’s prior written consent; (vi) Seller will not block Purchaser from, and will provide Purchaser with full access to, the Designated Account; (vii) Seller will provide Purchaser legible, complete and unredacted copies of all financial statements including those from Seller’s banks, credit card processors and other recipients of Seller’s receivables within five (5) days of a request by Purchaser; (ix) because Purchaser has entered into this Agreement based on the current operations of Seller, Seller will not undertake any transaction involving the sale of Seller, either by an issuance, sale or transfer of ownership interests in Seller that results in a change in ownership or voting control of Seller, or by a sale or transfer of substantially all of the assets of Seller, without prior written consent of Purchaser; (x) Seller will not conduct business under any name other than as disclosed herein or change the location of its business without prior written notice to Purchaser; (xi) Seller will not voluntarily permit another person or company, including without limitation a franchisor company (if Seller is a franchisee), to assume or take over the operation and/or control of Seller’s business or business locations without prior written consent of Purchaser; (xii) all information provided by Seller to Purchaser in this Agreement, Seller’s application, Seller’s interview with Purchaser or otherwise, and all of Seller’s financial statements and other financial documents provided to Purchaser, are true, correct, complete and accurately reflect Seller’s financial condition and results of operations at the time such information and materials were provided to Purchaser; (xiii) Seller is in compliance with all laws applicable to Seller’s business and has all permits, licenses, approvals, consents and authorizations necessary to conduct its business and will promptly pay all necessary taxes, including but not limited to employment, sales and use taxes; (xiv) as of the Effective Date of this Agreement, Seller is not contemplating the filing of a bankruptcy proceeding, closing Seller’s business, winding down Seller’s business operations, or selling Seller’s business, and has no reason to believe that a bankruptcy petition or other proceeding will be filed or brought against it; (xv) Seller will use the Purchased Amount solely for legal business purposes and will not use the Purchased Amount for personal, family or household purposes; (xvi) Upon Purchaser’s request, in its sole discretion, Seller will grant Purchaser read-only access to information about the Designated Account in a manner chosen by Purchaser (e.g., via Plaid), and will use a Purchaser-designated track-and-trace platform (e.g., Metrc) to facilitate the data and information reporting to Purchaser about Seller’s Business.and (xvii) Seller has full power and authority to enter into and perform the obligations under this Agreement.

3.2 Representations, Warranties and Covenants of Purchaser. Purchaser hereby represents, warrants and covenants that at all times, for so long as any portion of the Purchased Amount remains outstanding: (i) Purchaser is a company organized, validly formed and existing and in good standing in the jurisdiction of its formation; (ii) the execution, delivery and performance of this Agreement by Purchaser has been validly authorized by all necessary corporate action on its part and will not contravene any provision of its articles of association, corporate charter, by-laws, shareholders agreement or other governing documents; and (iii) this Agreement constitutes the legal, valid and binding obligation of Purchaser, enforceable against it in accordance with its terms, subject to bankruptcy, insolvency or other similar laws affecting creditors’ rights and to general principles of equity (whether considered in a proceeding in equity or at law).

3.3 Representations, Warranties and Covenants of Seller Regarding the Nature of the Transaction. In addition to those representations, warranties and covenants set forth above, Seller hereby further represents, warrants and covenants that as of the time that it entered this Agreement, Seller understands and acknowledges that the purchase and sale transaction contemplated by this Agreement is not a loan and that laws governing the rights and remedies of parties to a loan transaction, including laws governing or restricting the interest that may be charged in connection with such a loan transaction, do not apply to the purchase and sale transaction that is being entered into by the Parties.

3.4 Continuing Nature of Representations, Warranties and Covenants. Unless expressly stated otherwise, each and all of the foregoing representations shall be deemed to be continuing covenants and shall remain true and accurate at all times after the Effective Date, until the Purchased Amount has been remitted in full.

**4. DEFAULT / REMEDIES UPON DEFAULT**

4.1 Events of Default. Seller shall be in default of this Agreement should any of the following occur (each an “Event of Default”): (i) Seller makes any material misrepresentation hereunder or breaches, in any way, whether by act or omission, any representation, warranty, covenant, promise, or agreement in this Agreement; (ii) Seller instructs its bank or other depository financial institution to stop payment on any authorized ACH withdrawal initiated by Purchaser; (iii) Seller obstructs Purchaser’s access to information for the Designated Account or fails to provide to Purchaser copies of all documents related to Seller’s banking and financial affairs within five (5) days of receipt of Purchaser’s request for such documents; (iv) Seller applies for, or agrees to, any merchant cash advance or any form of financing without the prior, written consent of Purchaser; (v) Seller voluntarily sells any assets, including receivables or Future Receivables, outside the normal course of business without Purchaser’s prior, written consent; (vi) Seller voluntarily subjects Seller’s Future Receivables to any claim, charge, lien, restriction, encumbrance or security interest; (vii) Seller redirects the deposit of Future Receivables away from any Designated Account without the prior, written consent of Purchaser; (viii) Seller fails to give the Purchaser at least five (5) business days prior notice before changing the Designated Account or adding an additional Designated Account and/or fails to submit an ACH CREDIT/DEBIT AUTHORIZATION in the form of Attachment B hereto with reference to such newly established Designated Account; (ix) Seller, by act or omission, directly or indirectly, with an intent to avoid its obligations under this Agreement, obstructs, hinders, or interferes with the remittance of the Purchased Amount or the remittance of any Remittance then in effect; (x) Seller takes any action to discourage the use of any electronic payment cards or causes any event to occur that may have an adverse effect on the use, acceptance or authorization of electronic payment cards for the purchase of Seller’s products and/or services, or cause a diversion of Seller’s Future Receivables, without the express, prior written consent of Purchaser; (xi) Seller uses any of the proceeds of the purchase and sale transaction contemplated by this Agreement for personal, family or household expenses or purposes; (xii) Seller conducts its business under any name, or through any entity, other than the entity that is a Party to this Agreement and is identified hereunder, changes its business location(s), or closes its business for renovations or for any other purpose without the express, prior written consent of Purchaser. This provision, however, does not prohibit Seller from closing its business temporarily if such closing is required to conduct renovations or repairs that are required by local ordinance or other legal order, such as from a health or fire inspector, or if otherwise forced to do so by circumstances outside of the control of Seller. Prior to any such closure, Seller will provide Purchaser ten business days’ notice to the extent practicable; (xiii) Seller voluntarily undertakes any transaction involving the sale of any part of Seller’s business or inventory, other than in the ordinary course of business, without the express, prior written consent of Purchaser; (xiv) Seller willingly forfeits control of its business without the express, prior written consent of Purchaser; (xv) Seller knowingly provides false or fraudulent information to Purchaser; (xvi) Seller fails to operate its business in compliance with all applicable statutes, rules, ordinances, regulations, final court decisions or other laws governing the business of Seller and fails to obtain or maintain the permits, licenses, and approvals that are necessary to conduct Seller’s business; (xvii) Seller fails to pay all applicable local, state and federal taxes and fees; (xviii) Seller fails to sign all documents that Purchaser deems necessary for performance of the Parties pursuant to this Agreement and the actions contemplated hereby; (xix) Seller fails to allow Purchaser to inspect, audit, check and make copies of any or all of the books, records, journals, orders, receipts, and correspondence relating to Seller’s accounts or other transactions between the parties to or on such accounts and the general financial condition of Seller; (xx) Seller fails to permit Purchaser or its agent to conduct site inspections of Seller’s business, in accordance with this Agreement; (xxi) Seller without the prior, written consent of the Purchaser, (a) grants any extension of time for payment of any of the Purchased Amount of Seller’s Future Receivables, (b) compromises, writes-down, writes-off or otherwise settles any of the Purchased Amount of Seller’s Future Receivables, releases any debtor or account associated with the Purchased Amount of Seller’s Future Receivables, or grants any credits, offsets, reductions, return authorizations or the like with respect to the Purchased Amount of Seller’s Future Receivables without the prior written consent of Purchaser; or (xxii) Seller voluntarily enters into any transaction, such as the sale, assignment, pledge or alienation, in any form, of ownership interests or assets, that could result in a change of control of Seller or devaluation of Seller, without the prior written consent of Purchaser.

4.2 Remedies upon Events of Default. Upon the occurrence of any Event of Default enumerated in Section 4.1, above: (i) Purchaser shall be immediately entitled to collect from Seller the remaining undelivered balance of the Purchased Amount; (ii) Purchaser may exercise any and all remedies available to secured creditors under the Uniform Commercial Code; (iii) Purchaser may elect to rescind the Agreement in its entirety; (iv) Purchaser shall be entitled to any and all costs, including reasonable attorney’s fees, in connection with its defense, protection, or enforcement of its rights under this Agreement, and (v) Purchaser will otherwise be entitled to any and all remedies available to it under Law or at equity.

4.3 Remedies Not Exclusive. The remedies provided under this Agreement are cumulative and not exclusive of any remedies provided by law or equity.

4.4 Waiver. The failure of Purchaser to exercise or delay in exercising any right under this Agreement shall not constitute a waiver of such right or preclude Purchaser from exercising such right at a later time. The singular or partial exercise of any right under this Agreement shall not preclude Purchaser from any future exercise of that or any other right.

4.5 Personal Guaranty. Seller, as an inducement to Purchaser to enter this Agreement, shall cause a personal Performance Guaranty be executed by one or more persons owning, individually or a combined, fifty percent (50%) or more interest in Seller (“Principal(s)”) in Seller in the form of Attachment A (“Personal Performance Guaranty”) hereto, which, when each such required Guaranty is fully executed is incorporated herein and made a part of this Agreement.

4.6 Attorneys’ Fees and Collection Costs. If any action at law or in equity is necessary to enforce or interpret the terms of this Agreement, or if commenced based on a breach or any other action arising from the Agreement, the prevailing party shall be entitled to recover its reasonable attorneys’ fees and expenses.

**5. DISPUTE RESOLUTION**

5.1Governing Law.Except for thearbitration provision set forth in Section 5.3, which shall be governed by the Federal Arbitration Act (“FAA”) and not by state law, this Agreement shall be governed by and construed in accordance with the laws of the State of California without regard to internal principles of conflict of laws. Seller understands and agrees that (i) Purchaser is located in California, (ii) Purchaser makes all decisions to purchase from Purchaser’s office in California, (iii) the Agreement is made in California (that is, no binding contract will be formed until Purchaser receives and accepts Seller’s signed Agreement in California), (iv) the Purchase Price is distributed from California, (v) Seller’s payments are not accepted until received by Purchaser in California; and, therefore, (vi) the Agreement has a sufficient and tangible nexus to California.

5.2 Jurisdiction and Venue.Purchaser and Seller agree that this Agreement is being executed and delivered in the State of California and that any action or proceeding to enforce or arising out of this Agreement shall be commenced in any court of the State of California or in the United States District Court for the Southern District of California, and Seller waives personal service of process and agrees that a summons and complaint commencing an action or proceeding in any such court will be properly served and confer personal jurisdiction if served by registered or certified mail to Seller, or as otherwise provided by the laws of the State of California or the United States of America. Purchaser and Seller agree that venue is proper in such courts.

5.3 Arbitration. Unless prohibited by federal law, Purchaser, Seller, and each Guarantor agree that any party may require the other parties to arbitrate any and all claims and disputes relating in any way to this Agreement or the parties’ dealings with one another (“Claims”), except for Claims concerning the validity, scope or enforceability of this Arbitration Agreement, through BINDING INDIVIDUAL ARBITRATION. This Arbitration Agreement involves interstate commerce and shall be governed by the Federal Arbitration Act, 9 U.S.C. §§ 1-16 (“FAA”), and not by state law.

In any claim or dispute to be resolved by arbitration, neither Purchaser, Seller, nor any Guarantor will be able to have a court or jury trial or participate in a class action or class arbitration. Other rights that Purchaser, Seller, and/or any Guarantor would have in court will not be available or will be more limited in arbitration, including the right to appeal. Purchaser, Seller, and/or any Guarantor each understand and agree that by requiring each other to resolve all disputes through individual arbitration, **WE ARE EACH WAIVING THE RIGHT TO A COURT OR JURY TRIAL. ALL DISPUTES SHALL BE ARBITRATED ON AN INDIVIDUAL BASIS, AND NOT AS A CLASS ACTION, REPRESENTATIVE ACTION, CLASS ARBITRATION OR ANY SIMILAR PROCEEDING**. The arbitrator(s) may not consolidate the claims of multiple parties without the parties’ express written consent.

Arbitrations shall be administered by the American Arbitration Association (“AAA”) pursuant to the applicable AAA rules in effect at the time the arbitration is initiated. Seller and any Guarantor(s) may obtain information about arbitration, arbitration procedures and fees from AAA by calling 800-778-7879 or visiting www.adr.org. If AAA is unable or unwilling to arbitrate a dispute, then the dispute may be referred to any other arbitration organization or arbitrator the parties agree upon in writing, or selected by a court pursuant to the FAA. The arbitrator’s decision shall be final and binding. The parties agree that this Arbitration Agreement extends to any other parties involved in any Claims.

Purchaser, Seller, and/or any Guarantor each may exercise any lawful rights to seek provisional remedies or self-help, without waiving the right to arbitrate by doing so. Notwithstanding any other provision of this Agreement, if the foregoing class action waiver and prohibition against class arbitration is determined to be invalid or unenforceable, then this entire Arbitration Agreement shall be void. If a claim is brought seeking public injunctive relief and a court determines that the restrictions in the Arbitration Agreement prohibiting the arbitrator from awarding relief on behalf of third parties are unenforceable with respect to such claim (and that determination becomes final after all appeals have been exhausted), the claim for public injunctive relief will be determined in court and any individual claims will be arbitrated. In such a case, the court shall stay the claim for public injunctive relief until the arbitration pertaining to individual relief has been entered in court. In no event will a claim for public injunctive relief be arbitrated. If any other portion of this Arbitration Agreement is deemed invalid or unenforceable, it shall not invalidate the remaining portions of this Arbitration Agreement. This Arbitration Agreement will survive the termination of this Agreement, Seller’s and any Guarantors’ fulfillment or default of their obligations under this Agreement, and/or Purchaser’s, Seller’s, and/or any Guarantor’s bankruptcy or insolvency (to the extent permitted by applicable law).

SELLER AND ANY GUARANTOR(S) HAS THE RIGHT TO REJECT THIS ARBITRATION AGREEMENT, BUT SELLER AND/OR ANY GUARANTOR(S) MUST EXERCISE THIS RIGHT PROMPTLY. If Seller and any Guarantor(s) do not wish to be bound by this agreement to arbitrate, they must collectively notify Purchaser in writing within sixty (60) days after the date they sign this Agreement. The request must be sent to the following address by registered mail, within 30 days after the date of this agreement: FC Capital Holdings, LLC, 420 Stevens Ave., Suite 120, Solana Beach, CA 92075 Attention: Legal Department. The request must include Seller’s and any Guarantors’ full name, address, account number, and the statement “I reject the FC Capital Holdings Arbitration Agreement.” If Seller and/or any Guarantor exercise the right to reject arbitration, the other terms of this Agreement shall remain in full force and effect as if Seller and/or any Guarantor had not rejected arbitration.

**6. TERM / TERMINATION**

6.1 Term. The Parties to this Agreement agree and acknowledge that this Agreement has no set term and shall remain in effect until the Purchased Amount has been remitted in full.

**7. MISCELLANEOUS**

7.1 Entire Agreement. This Agreement, and the ReadyPaid Terms and Conditions, contains the entire understanding of the Parties hereto and supersedes all prior negotiations, whether oral or written.

7.2 Binding Effect / Assignment. This Agreement shall be binding upon and inure to the benefit of Seller, Purchaser and their respective successors and assigns, except that Seller shall not have the right to assign its rights or obligations or any interest in this Agreement without the prior written consent of the Purchaser, which consent may be withheld in the Purchaser’s sole discretion. Any unauthorized assignment by Seller shall be null and void. Purchaser may without the consent of Seller and upon notice to Seller, sell and assign all or any portion of all of the rights and obligations or duties of Seller under this Agreement (an “Assignment”). From and after the effective date of any Assignment, this Agreement shall be deemed amended and modified (without the need for any further action on the part of either party) such that the assignee shall be deemed a party to this Agreement and, to the extent provided in the Assignment, have the rights and obligations of the Purchaser under this Agreement associated with the Assignment, including but not limited to rights to Purchaser’s receipt of security to secure Seller’s performance under this Agreement, rights to receive a guarantee from Seller regarding the full and prompt performance of every Purchased Future Receivable under this Agreement and Purchaser’s right to declare a default or an Event of Default under this Agreement and to receive damages from Seller following a breach of this Agreement by Seller. Notwithstanding the foregoing, unless otherwise notified in writing by any such assignee, Seller shall not be required to take any action for the direct benefit of an assignee following such Assignment and its obligations under this Agreement shall not be altered thereby. In connection with such assignment, Purchaser may disclose all information that it has relating to Seller or its business.

7.3 Assumption of Risk. Purchaser is purchasing the Future Receivables and Purchaser assumes the risk that Seller’s business may fail or be adversely affected by conditions outside the control of Seller provided Seller has not breached a representation, warranty or covenant set forth in this Agreement. Because this Agreement is not a loan, if Seller’s business slows down and Seller’s Future Receivables decrease or if Seller closes its business and Seller has not violated any of the representations, warranties and covenants in this Agreement for reasons other than a slowdown or failure of Seller’s business, there shall be no default or breach of this Agreement.

7.4 Severability. Except for the terms of the Arbitration Agreement, should any term or provision of this Agreement be deemed invalid, illegal or unenforceable, then such invalid, illegal or unenforceable term or provision shall be null and void, and all other terms and provisions of this Agreement shall continue in full force and effect as though such invalid, illegal or unenforceable term or provision had never been a part hereof.

7.5 Fees. Fees and charges associated with this purchase and sale transaction, including a one-time Processing Fee, are as follows:

7.5.1 Processing Fee: Seller agrees to pay Purchaser the one time Processing Fee listed on the cover page of this Agreement to reimburse Purchaser for expenses incurred in processing Seller’s receivables, filing and terminating UCC financing statement(s), and paying fees (if applicable) to any other persons for referring Seller to Purchaser and assisting with the sale of the Future Receivables. Purchaser will ACH from the Designated Account the amount of the Processing Fee one (1) business day following the Purchase Price being deposited and paid to Seller.

7.5.2 Bank Wire Fee: Seller may request to receive payment of the net Purchase Price by wire transfer. Purchaser shall have sole discretion in determining whether it will agree to pay the net Purchase Price by wire transfer. In the event Purchaser pays the Purchase Price by wire transfer, Seller agrees to pay Purchaser a fee of $25 (the “Bank Wire Fee”), which covers the administrative, technological and banking costs for paying the Purchase Price by wire transfer. Purchaser will deduct the amount of the Bank Wire Fee from the Purchase Price that is to be paid to Seller.

7.5.3 Returned Item Fee. Seller agrees to pay Purchaser promptly upon demand a returned item fee

of $35 (a “Returned Item Fee”) if an electronic debit is returned unpaid or cannot be processed, or if a check, draft or similar instrument issued by Seller or any individual that signs this Agreement is not honored or cannot be processed

(either of which is a “Returned Item Event”). At Purchaser’s option, Purchaser will assess this fee any time a payment is not honored or paid, even if it is later honored or paid following resubmission. Seller and any individual that signs this Agreement authorizes Purchaser to resubmit returned debits in its discretion.

7.6 Further Assurances. Seller agrees, from time to time, upon the Purchaser’s request, to perform such further acts and to make, execute, acknowledge, and deliver to the Purchaser such further and additional instruments, documents, and agreements, and to take such further action as may be required to carry out the intent and purpose of this Agreement.

7.7 Interpretation. This Agreement shall be construed as if drafted jointly by the Parties and no presumption of burden of proof shall arise favoring or disfavoring any Party by virtue of the authorship of any provision of this Agreement. The headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement. Any pronoun shall include the corresponding masculine, feminine and neuter forms.

7.8 Counterparts; Digital, Electronic and Fax Signatures. This Agreement may be executed in one or more counterparts, each of which counterparts will be deemed to be an original, and all such counterparts will constitute one and the same instrument. For purposes of the execution of this Agreement and any other related documents, Seller agrees that an electronic signature has the same legal effect as if Seller signed such Agreements and documents in ink and will be deemed valid, authentic, enforceable and binding and that such electronically signed documents shall be deemed originals.

7.9 Notices. Except as otherwise provided in this Agreement, notice under this Agreement must be in writing. Notices will be deemed given when deposited in the U.S. mail, postage prepaid, or first-class mail; when delivered in person; or when sent by registered mail; by certified mail; or by nationally recognized overnight courier. Notice to Seller will be sent to Seller’s last known address in Purchaser’s records. Notice to Purchaser may be sent to FC Capital Holdings, LLC, 420 Stevens Avenue, Suite 120, Solana Beach, CA 92075.

7.10 Customer Service Contact Information. If you have questions or comments about this Agreement, you may contact FC Capital Holdings at 877-257-3777 or by mail at: FC Capital Holdings, LLC, c/o Customer Service, 420 Stevens Avenue, Suite 120, Solana Beach, CA 92075.

7.11     Modifications. No modification, amendment, waiver or consent of any provision of this Agreement shall be effective, unless the same shall be in writing and signed by Purchaser. This provision shall survive, in its entirety, the delivery of the Future Receivables purchased and the termination of this Agreement.

7.12 **Federal Law Disclosure. EACH PARTY EXPRESSLY WAIVES THE RIGHT TO PRESENT ANY CLAIM OR DEFENSE TO ENFORCEMENT OF THIS AGREEMENT RELATED TO THE FEDERAL ILLEGALITY OF CANNABIS IN ANY DISPUTE OR CLAIM ARISING OUT OF THIS AGREEMENT, INCLUDING THAT THE AGREEMENT IS INVALID FOR ANY REASON, AND HEREBY ACKNOWLEDGES AND AGREES THAT SUCH DEFENSE SHALL NOT BE ASSERTED BY SUCH PARTY OR ON ITS BEHALF AT ANY TIME.** THE SALE, CULTIVATION, DISTRIBUTION AND POSSESSION OF CANNABIS REMAINS A FEDERAL CRIME. AS SUCH, ANY ACTIVITY THAT DIRECTLY INVOLVES CANNABIS IS IN VIOLATION OF FEDERAL LAW AND MAY SUBJECT COMPANY TO A NUMBER OF FEDERAL LAW LIABILITIES OR OBLIGATIONS INCLUDING SEIZURE OF ASSETS AND INCARCERATION. DUE TO FEDERAL CANNABIS LAW, IT IS IMPOSSIBLE TO PROVIDE ANY LEGAL ASSURANCES THAT THE FEDERAL GOVERNMENTAL AUTHORITY WILL NOT TAKE ANY ENFORCEMENT ACTION. CURRENTLY, ALTHOUGH SUBJECT TO CHANGE, THE FEDERAL GOVERNMENT IS PRECLUDED FROM ALLOCATING RESOURCES TO ENFORCE FEDERAL LAW AGAINST PERSONS OR ENTITIES THAT ARE OPERATING A MEDICAL CANNABIS BUSINESS THAT IS OPERATING IN STRICT COMPLIANCE WITH STATE MEDICAL CANNABIS LAWS.

8. **INCORPORATION OF RIDER.**

8.1The terms of the Rider, attached hereto as Attachment D, are hereby incorporated by reference herein as if fully set forth herein.

9. **CERTIFICATION AND SIGNATURES**

9.1 Seller: By signing below or authorizing the person signing below to sign on its behalf, Seller adopts and agrees to every provision without exception contained within this Agreement and further certifies that Seller has received a copy of this Agreement and that Seller has read, understood and agreed to be bound by its terms. Each person signing below certifies that each person is signing on behalf of Purchaser and Seller in the capacity indicated below the signer’s name and that such signer is authorized to execute this Agreement on behalf of or the in stated relation to Parties. For purposes of the execution of this Agreement, electronic signatures and fax signatures shall be treated in all respects as original signatures.

**Seller**: :

|  |  |  |  |
| --- | --- | --- | --- |
| Signer #1 | {{OPPORTUNITY\_OPPORTUNITYCONTACTROLES\_SIGNER\_CONTACT\_NAME}} | | |
| Name: | {{OPPORTUNITY\_OPPORTUNITYCONTACTROLES\_SIGNER\_CONTACT\_NAME}} | Title: | {{OPPORTUNITY\_OPPORTUNITYCONTACTROLES\_GUARANTOR\_1\_CONTACT\_TITLE}} |

{{USER\_ADOBE\_G4\_SIG\_REF\_TAG}}

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| --- |
| 9.2 Purchaser**:** The obligation of Purchaser under this Agreement will not be effective unless and until Purchaser has completed its review of the Seller and has accepted this Agreement at its offices in California by paying the Purchase Price, less applicable fees and charges, if any.  **FC Capital Holdings, LLC:**  X:  Name: Joel Rose  Title: EVP Risk Management |
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