

## INDEMNIFICATION AGREEMENT

THIS INDEMNIFICATION AGREEMENT is made effective on the \_\_\_\_ day of \_\_\_\_\_, 2021.

**BETWEEN:**

Glass House Brands Inc., a company formed under the laws of British Columbia;

(the "**Company**")

**AND:**

**Name:**

(the "**Indemnified Party**")

**Address:**

**WHEREAS:**

- A. The Indemnified Party is a director and/or an officer of the Company and is willing to serve or to continue to serve for and on behalf of the Company;
- B. The board of directors of the Company (the "**Board**") has determined that the Company should act, at its own expense, to assure the Indemnified Party of reasonable protection through indemnification against certain risks arising out of service to, and activities on behalf of, the Company to the extent permitted by the Business Corporations Act (as defined below) and the Company's Articles; and
- C. It is reasonable and prudent for the Company to obligate itself contractually to indemnify the directors and officers of the Company (including the Indemnified Party) to the fullest extent permitted by applicable law so that they will serve or continue to serve the Company and/or or any Affiliate(s) (as defined below).

**NOW THEREFORE, IN CONSIDERATION OF** the premises and mutual covenants herein contained, and in consideration of the Indemnified Party's service or continued service as a director and/or an officer of the Company or any Affiliate(s), the receipt and sufficiency of which consideration is hereby acknowledged, the Company and the Indemnified Party do hereby covenant and agree as follows.

### **ARTICLE 1: DEFINITIONS**

1.1 In this Agreement:

- (a) **"Affiliate"** means any corporation, partnership, limited liability company, trust, joint venture or other unincorporated entity (i) which is an affiliate (where applicable as defined in National Instrument 45-106 under the *Securities Act* (Ontario) as in effect on the date hereof) of the Company, or (ii) in which the Indemnified Party is a director or an officer at the request of the Company;
- (b) being a **"director"** or an **"officer"** of an Affiliate includes holding an equivalent position to a director or an officer of an Affiliate that is not a corporation;
- (c) **"Business Corporations Act"** means the *Business Corporations Act* (British Columbia) and its regulations, as may be amended from time to time;
- (d) **"Business Day"** means a day excluding Saturday, Sunday and any other day which is a statutory holiday in the jurisdiction of the person to whom a notice or other communication is mailed;
- (e) **"Court"** means the Supreme Court of British Columbia;
- (f) **"Expenses"** means all costs, charges, fees and expenses, including legal and other fees associated with any proceeding (including any appeal resulting from any or proceeding), but does not include judgments, penalties, fines or amounts paid in settlement of a proceeding;
- (g) **"Indemnitees"** means the Indemnified Party and his/her heirs and personal or other legal representatives;
- (h) **"Postal Interruption"** means a cessation of normal public postal service in Canada or the United States of America or in any part of Canada or the United States of America affecting the Company or the Indemnitees that is or may reasonably be expected to be of more than forty-eight (48) hours duration;
- (i) **"proceeding"** includes any legal claim or proceeding (including a civil, criminal, quasi-criminal, administrative or regulatory action or proceeding) or investigative action, whether current, threatened, pending or completed; and
- (j) **"Taxes"** includes any assessment, reassessment, claim or other amount for taxes, charges, duties, levies, imposts or similar amounts imposed or assessed by any domestic or foreign governmental authority, including any interest and penalties in respect thereof.

## ARTICLE 2: AGREEMENT TO SERVE

2.1 The Indemnified Party agrees to become and serve as or continue to be and serve as, as the case may be, a director and/or an officer of the Company and, if requested by the Company and provided it is agreeable to the Indemnified Party, the Indemnified Party also agrees to become and serve as or continue to be and serve as, as the case may be, a director and/or an officer of any Affiliate designated by the Company.

### ARTICLE 3: INDEMNIFICATION

3.1 Except as otherwise provided herein, the Company agrees to indemnify and save harmless the Indemnitees to the fullest extent authorized and permitted by the Business Corporations Act against all judgments, penalties and fines awarded or imposed in, and all amounts paid in settlement (collectively, "**settlement amounts**") of, any proceeding in which any of the Indemnitees:

- (a) is or may be joined as a party (or threatened to be joined as a party), or
- (b) is or may be liable for or in respect of a judgment, penalty or fine in, or Expenses related to, such proceeding,

by reason of the Indemnified Party being or having been a director or an officer of the Company or an Affiliate, and all Expenses actually and reasonably incurred by the Indemnitees in respect of a proceeding identified in this Section 3.1, provided that:

- (c) in relation to the subject matter of the proceeding the Indemnified Party acted honestly and in good faith with a view to the best interests of the Company or the Affiliate, as applicable; and
- (d) in the case of a proceeding other than a civil proceeding, the Indemnified Party had reasonable grounds for believing that his/her conduct in respect of which the proceeding was brought was lawful.

3.2 For greater certainty, a settlement amount subject to indemnification pursuant to Section 3.1 shall include any Taxes which the Indemnitees may be subject to or suffer or incur as a result of, in respect of, arising out of or referable to any indemnification of the Indemnitees by the Company pursuant to this Agreement.

3.3 To the maximum extent permitted by the Business Corporations Act, at the request of the Indemnitees, the Company will pay all Expenses actually and reasonably incurred by the Indemnitees in respect of any proceeding identified in Section 3.1 as they are incurred from time to time in advance of the final non-appealable disposition of that proceeding, on receipt of the following:

- (a) a written undertaking, in form and on terms satisfactory to the Company acting reasonably, by or on behalf of the Indemnitees to repay on an interest free basis, such amount(s) if it is ultimately determined by the Court or another tribunal of competent jurisdiction that the Company is prohibited under the Business Corporations Act from paying such Expenses; and
- (b) evidence, satisfactory to the Company acting reasonably, as to the amount of such Expenses.

For greater certainty, subject as hereinafter provided in Article 4, it shall not be necessary for the Indemnitees to pay such Expenses and then seek reimbursement; the Indemnitees shall provide satisfactory (pursuant to Section 3.4) evidence to the Company for direct and advance payment by the Company. The Company shall make payment to the Indemnitees (or as the Indemnitees may direct) within ten (10) days after the Company has received the foregoing information from the Indemnitees. If any portion of the Expenses is subject to dispute in

accordance with Article 4, the Company shall promptly pay to the Indemnitees the undisputed portion of any disputed Expenses.

3.4 The written certification of any of the Indemnitees, together with a copy of a receipt, or a statement indicating the amount paid or to be paid by the Indemnitees, will constitute satisfactory evidence of any Expenses for the purposes of Section 3.3.

3.5 Notwithstanding any other provision herein to the contrary, the Company will not be obligated under this Agreement to indemnify the Indemnitees:

- (a) in respect of any matters for which the Indemnified Party may not be indemnified under the Business Corporations Act, or in respect of any liability that the Indemnitees may not be relieved from under the Business Corporations Act or otherwise at law, unless in any of those cases the Court has made an order authorizing the indemnification;
- (b) with respect to any proceeding initiated or brought voluntarily by the Indemnitees (including against the Company or any Affiliate) or in which the Indemnified Party is joined voluntarily as a plaintiff without the written agreement of the Company, except for any proceeding brought to establish or enforce a right to indemnification under this Agreement or the Company's constating documents;
- (c) for any Expenses, fines, penalties, judgments or settlement amounts which have been paid to, or on behalf of, the Indemnitees under any applicable policy of insurance or any other arrangements maintained or made available by the Company or any Affiliate for the benefit of its respective directors or officers and, for greater certainty, the indemnity provided hereunder will only apply with respect to any Expenses, fines, penalties, judgments or settlement amounts which the Indemnitees may suffer or incur which would not otherwise be paid or satisfied under such insurance or other arrangements maintained or made available by the Company or such Affiliate; or
- (d) in respect of claims by the Company or any Affiliate for the forfeiture and recovery by the Company or any Affiliate of bonuses or other compensation received by the Indemnified Party from the Company or any Affiliate due to the Indemnified Party's express violation of applicable laws and/or terms of the Indemnified Party's employment agreement.

3.6 It is the intent of the parties hereto that in the event of any change, after the date of this Agreement, in any applicable law which expands the right of the Company or an Affiliate to indemnify or make advances to a director or officer to a greater degree than would be afforded currently under the Company's constating documents and this Agreement at the date hereof, (i) the Indemnified Party shall receive the greater benefits afforded by such change, and (ii) to the extent impacted by such change, this Agreement shall be interpreted and enforced so as to provide obligatory indemnification and advances under such circumstances as set forth in this Agreement, if any, in which the providing of indemnification or advances would otherwise be discretionary. In the event of any such change in applicable law which expands the right of the Company or an Affiliate to indemnify or make advances to a director or officer, the Indemnified Party shall be notified promptly of such development and he/she shall have at his/her option, the opportunity to have this Agreement amended so as to ensure that this Agreement, as amended, includes such broader protections.

3.7 Notwithstanding any other provision of this Agreement, to the extent that the Indemnified Party is, by reason of the fact that the Indemnified Party is or was a director or an officer of the Company or any Affiliate, a witness or participant other than as a named party in a proceeding, the Company shall pay to the Indemnified Party all out-of-pocket Expenses actually and reasonably incurred by the Indemnified Party or on the Indemnified Party's behalf in connection therewith.

3.8 The Company shall have the burden of establishing that any Expense it wishes to challenge is not reasonable.

3.9 Notwithstanding anything to the contrary contained herein, the Company hereby acknowledges that the Indemnitee may have certain rights to indemnification, advancement and/or insurance provided by or on behalf of an Affiliated Entity. The Company hereby agrees that, with respect to the Indemnitee, the Company, on behalf of itself and its subsidiaries, their respective successors and assigns and persons claiming through any of them, (i) is, relative to each Affiliated Entity (as defined below), the indemnitor of first resort (i.e., its obligations to the Indemnitee under this Agreement are primary and any duplicative, overlapping or corresponding obligations of an Affiliated Entity are secondary), (ii) shall be required to make all advances and other payments under this Agreement, and shall be fully liable therefor, without regard to any rights the Indemnitee may have against his or her Affiliated Entity or any insurer of an Affiliated Entity, and (iii) irrevocably waives, relinquishes and releases any such Affiliated Entity from any and all claims against such Affiliated Entity for contribution, subrogation or any other recovery of any kind in respect of any claim by the Indemnitee under this Agreement or the Company's constating documents. The Company further agrees, on behalf of itself and its subsidiaries, their respective successors and assigns and persons claiming through any of them, that (i) no advancement or payment by an Affiliated Entity on behalf of the Indemnitee with respect to any claim for which the Indemnitee has sought advancement or indemnification from the Company shall affect the foregoing, (ii) any such Affiliated Entity shall have a right of contribution and/or be subrogated to the extent of such advancement or payment to all of the rights of recovery of the Indemnitee against the Company and (iii) Indemnitee will not be obligated to seek indemnification from or advancement or reimbursement by any Affiliated Entity with respect to any claim. The Company agrees that each Affiliated Entity is an express third-party beneficiary of the terms of this Section 3.9. For purposes of this Agreement, "Affiliated Entity" means, with respect to the Indemnitee, any investment fund, institutional investor, investment manager, management company, managed account or other financial intermediary which employs or engages, or is affiliated with, the Indemnitee, to whom Indemnitee provides services, or in whom Indemnitee has a direct or indirect equity or similar interest.

#### **ARTICLE 4: DENIAL OF INDEMNIFICATION**

4.1 If (i) advancement of Expenses is not made pursuant to Article 3 or (ii) indemnification under this Agreement is not paid in full by the Company within thirty (30) days after a written claim therefor has been received by it and the applicable approval of a court or tribunal of competent jurisdiction has been obtained where required, whichever is later, the Indemnitees may any time thereafter bring suit against the Company and, if wholly successful on the merits or otherwise or substantially successful on the merits, the Indemnitees will also be entitled to be paid all Expenses incurred in connection with the prosecution of such claim including, for greater certainty, legal fees and costs (including reasonable disbursements) as between solicitor and own client on a full indemnity basis. It will be a defence to any action instituted pursuant to this Section 4.1 that the Indemnified Party has not met the standards of conduct

which make it permissible under this Agreement, the Business Corporations Act or applicable law for the Company to indemnify the Indemnitees for the amount claimed.

#### **ARTICLE 5: CONDUCT OF DEFENCE**

5.1 Promptly after receiving notice from any of the Indemnitees of any proceeding identified in Section 3.1, the Company may, and upon the written request of the Indemnitees will, promptly assume conduct of the defence thereof and, at the Company's sole expense, retain counsel on behalf of the Indemnitees who is satisfactory to the Indemnitees, acting reasonably, to represent the Indemnitees in respect of the proceeding. If the Company assumes conduct of the defence on behalf of the Indemnitees, the Indemnified Party hereby consents to the conduct thereof and to any action taken by the Company, in good faith, in connection therewith and the Indemnified Party will reasonably cooperate in such defence including, without limitation, providing documents, attending examinations for discovery, making affidavits, meeting with counsel, testifying and divulging to the Company all information reasonably required to defend or prosecute the proceeding.

5.2 In connection with any proceeding in respect of which the Indemnitees may be entitled to be indemnified hereunder, the Indemnitees will have the right to employ separate, independent counsel of their choosing and to participate in the defence thereof but the legal fees and disbursements of such counsel will be at the sole expense of the Indemnitees unless:

- (a) the Indemnitees reasonably determine that there are legal defences available to the Indemnitees that are different from or in addition to those available to the Company or any Affiliate, as the case may be, or that a conflict of interest exists which makes representation by counsel chosen by the Company not advisable;
- (b) the Company has not assumed the defence of the proceeding and employed counsel therefor satisfactory to the Indemnitees, acting reasonably, within a reasonable period of time after receiving notice thereof; or
- (c) employment of such other counsel has been authorized in writing by the Company;

in which event the reasonable legal fees, costs and disbursements of such counsel will be paid by the Company, subject to the terms hereof. In any such proceeding, the Company will reasonably cooperate in the defence of the Indemnitees including, without limitation, providing documents and causing its representatives to attend examinations for discovery, make affidavits, meet with counsel and testify and divulge all information in the Company's possession reasonably required to defend or prosecute the proceeding.

#### **ARTICLE 6: SETTLEMENT**

6.1 The Company may, with the prior written consent of the Indemnitees (which consent shall not be unreasonably withheld, conditioned or delayed), enter into a settlement or other agreement to settle or compromise a proceeding. In seeking such consent, the Company will provide the Indemnitees with a reasonable period of time, in light of the circumstances, to consider the terms of a proposed settlement.

6.2 If the Indemnitees refuse after being requested by the Company to give consent to the terms of a proposed settlement which by its terms does not require the Indemnitees to admit any wrongdoing, or take or refrain from taking any action, and is otherwise acceptable to the Company, acting reasonably, the Company cannot settle but may require the Indemnitees to negotiate or defend the proceeding independently of the Company at the Indemnitees' expense. In such event any amount recovered by the claimant in excess of the amount for which settlement could have been made by the Company shall not be recoverable under this Agreement or otherwise, it being further agreed by the parties that in such event the Company shall only be responsible for Expenses up to the time at which such settlement could have been made.

6.3 The Company shall not be liable for any settlement of any proceeding effected without its prior written consent (which consent shall not be unreasonably withheld, conditioned or delayed).

6.4 The Indemnitees shall have the right to negotiate a settlement in respect of any proceeding, provided, however, that in such circumstances, unless the Company approves such settlement, which approval shall not be unreasonably withheld, conditioned or delayed, the Indemnitees shall pay any compensation, Expenses or other payment to be made under the settlement and the Expenses of negotiating and implementing the settlement, and shall not seek indemnity or contribution from the Company in respect of such compensation, Expenses or other payment.

#### **ARTICLE 7: COURT APPROVAL**

7.1 In the event of any claim for indemnification or payment of Expenses with respect to a proceeding brought against an Indemnitee by or on behalf of the Company or an Affiliate, provided that the Indemnified Party has fulfilled the conditions set forth in paragraphs 3.1(c) and 3.1(d) of Section 3.1, the Company will with best efforts apply to the Court for an order approving the indemnification of, or payment of Expenses to, the Indemnitees.

#### **ARTICLE 8: NO PRESUMPTIONS AS TO ABSENCE OF GOOD FAITH**

8.1 Termination of any proceeding by judgment, order, settlement or conviction, or upon a plea of *nolo contendere* or its equivalent, or similar or other result, will not, of itself, create any presumption for the purposes of this Agreement that the Indemnified Party did not act honestly and in good faith with a view to the best interests of the Company or an Affiliate, as the case may be, or, in the case of a proceeding other than a civil proceeding, that he/she did not have reasonable grounds for believing that his/her conduct was lawful (unless the judgment or order of a court or another tribunal of competent jurisdiction specifically finds otherwise).

8.2 For purposes of any determination under this Agreement, the Indemnified Party will be deemed, subject to compelling evidence to the contrary, to: (i) have acted honestly and in good faith with a view to the best interests of the Company or any Affiliate; (ii) have reasonable grounds for believing his or her conduct was lawful. The Company will have the burden of establishing the absence of honesty, good faith, a view to the best interests of the Company or an Affiliate, as the case may be, and, in the case of a proceeding other than a civil proceeding, reasonable grounds for believing that the Indemnified Party's conduct was lawful.

8.3 The knowledge and/or actions, or failure to act, of any other director, officer, agent or employee of the Company or any Affiliate will not be imputed to the Indemnified Party for purposes of determining the right to indemnification under this Agreement.

#### **ARTICLE 9: RESIGNATION**

9.1 Nothing in this Agreement will prevent or restrict the Indemnified Party from, at any time, changing his/her title or position within the Company or any Affiliate or from resigning as a director or an officer of the Company or any Affiliate, and no such change or resignation shall limit the Company's obligations or the Indemnified Party's rights and remedies under this Agreement, including the survival of such obligations in accordance with Article 16. Notwithstanding the foregoing, the Company and any Affiliate will have no obligation under this Agreement to continue to employ the Indemnified Party as a director or an officer.

#### **ARTICLE 10: DEATH**

10.1 For greater certainty, if the Indemnified Party is deceased and is or becomes entitled to indemnification under any of the provisions of this Agreement, the Company agrees to indemnify and hold harmless the Indemnified Party's estate and the Indemnitees to the same extent as it would indemnify the Indemnified Party, if alive, hereunder.

#### **ARTICLE 11: OTHER RIGHTS AND REMEDIES**

11.1 The indemnification provided for in this Agreement will not derogate from, exclude or reduce any other rights or remedies, in law or in equity, to which the Indemnitees may be entitled by operation of law or under any statute, rule, regulation or ordinance or by virtue of any available insurance coverage, including, but not limited to, the following:

- (a) the Business Corporations Act;
- (b) the constating documents of the Company or an Affiliate;
- (c) any vote of the shareholders or disinterested directors of the Company or an Affiliate; or
- (d) any applicable insurance policies of the Company,

both as to matters arising out of the capacity of the Indemnified Party as a director or an officer of the Company or an Affiliate or as to matters arising out of another capacity with the Company or an Affiliate, while being a director or an officer of the Company or an Affiliate, or as to matters arising by reason of his/her being or having been at the request of the Company, a director, officer or employee of any other legal entity of which the Company is or was an equity owner or creditor.

#### **ARTICLE 12: NOTICE OF PROCEEDING**

12.1 The Indemnitees agree to give written notice to the Company as soon as reasonably practicable after being served with any statement of claim, writ, notice of motion, indictment or



other document commencing or continuing any proceedings against the Indemnitees as a party. Any failure of the Indemnitees to give notice as herein provided shall not derogate from, waive, exclude or reduce any of the rights or remedies, to which the Indemnitees are entitled pursuant to any of the provisions of this Agreement, provided the Company has not suffered any actual damage from the failure of the Indemnitees to give notice as herein provided (and, in such case, only to the extent of such actual damage established according to proof).

12.2 If the Company receives notice from any other source of any matter of which the Indemnitees would otherwise be obligated hereunder to give notice to the Company, then the Indemnitees will be relieved of the obligation hereunder to give notice to the Company, provided that the Company has not suffered any actual damage from the failure of the Indemnitees to give notice as herein provided (and, in such case, only to the extent of such actual damage established according to proof). The Company will give notice of such matter to the Indemnitees as soon as reasonably practicable.

### **ARTICLE 13: CO-OPERATION AND INVESTIGATION**

13.1 The Company shall forthwith conduct such investigation of each proceeding of which it receives written notice pursuant to Article 12 as it deems is reasonably necessary or appropriate in the circumstances, and shall pay all costs of such investigation. The Indemnified Party will reasonably cooperate with the investigation provided that the Indemnified Party shall not be required to provide assistance that would materially prejudice his/her defence or infringe any constitutional or other right he/she may be entitled to assert under law. The Indemnified Party agrees to provide the Company with such information and co-operation as the Company may reasonably require from time to time in respect of all matters hereunder.

### **ARTICLE 14: EFFECTIVE DATE**

14.1 The right to be indemnified or to the reimbursement or advancement of Expenses pursuant to this Agreement is intended to be retroactive and shall be available with respect to events occurring prior to the execution hereof. For greater certainty, this Agreement shall be effective as and from the first day that the Indemnified Party became or becomes a director or an officer of the Company or an Affiliate or began serving in a capacity similar thereto for the Company or an Affiliate.

### **ARTICLE 15: INSOLVENCY**

15.1 It is the intention of the parties hereto that this Agreement and the obligations of the Company will not be affected, discharged, impaired, mitigated or released by reason of any bankruptcy, insolvency, receivership, assignment for the benefit of creditors, or other similar proceeding of creditors of the Company and that in such event any amount owing to the Indemnitees hereunder will be treated in the same manner as the other fees or expenses of the directors and officers of the Company.

#### **ARTICLE 16: SURVIVAL**

16.1 Notwithstanding any merger, amalgamation, business combination, reorganization, sale of assets, insolvency proceeding or other corporate change, the obligations of the Company under this Agreement, other than Article 17, shall continue until the later of:

- (a) fifteen (15) years after the Indemnified Party ceases to be a director or an officer of the Company or any Affiliate for any reason; and
- (b) one (1) year after the final adjudication, termination or settlement of all proceedings with respect to which the Indemnitees are entitled to claim indemnification under this Agreement.

16.2 The obligations of the Company under Article 17 of this Agreement shall continue for six (6) years after the Indemnified Party ceases to be a director or an officer of the Company or any Affiliate for any reason.

#### **ARTICLE 17: INSURANCE**

17.1 The Company shall use its reasonable best efforts to obtain and maintain one or more policies of insurance in commercially reasonable amounts that have been approved by the Board with respect to liability relating to its directors or officers, which policy or policies shall pursuant to its or their terms extend to the Indemnified Party in his/her capacity as a director or an officer of the Company and/or its Affiliates. Further, the Company shall advise the Indemnified Party promptly after it becomes aware of any material change in, cancellation, termination or lapse in coverage of the aforementioned insurance policy or policies. In the event an insurable event occurs, the Indemnitees will be indemnified promptly as provided in this Agreement regardless of whether the Company has received the insurance proceeds. The Indemnitees are entitled to full indemnification as provided in this Agreement notwithstanding any deductible amounts or policy limits contained in any such insurance policy or policies.

#### **ARTICLE 18: TAX ADJUSTMENT**

18.1 Should any payment made pursuant to this Agreement, including the payment of insurance premiums or any payment made by an insurer under an insurance policy, be deemed to constitute a taxable benefit or otherwise be or become subject to any Taxes or levy, then the Company shall pay any amount necessary to ensure that the amount received by or on behalf of the Indemnitees, after the payment of or withholding for Taxes, fully reimburses the Indemnitees for the actual cost, expense or liability incurred by or on behalf of the Indemnitees.

#### **ARTICLE 19: SUBROGATION; SECURITY**

19.1 Except as provided in Section 3.9 and to the extent permitted by law, the Company shall be subrogated to all rights which the Indemnitees may have under all policies of insurance or other contracts pursuant to which the Indemnitees may be entitled to reimbursement of, contribution for, or indemnification in respect of any Expenses borne by the Company pursuant to this Agreement. Nothing in this Agreement shall be deemed to diminish or otherwise restrict the right of the Company or the Indemnitees to proceed or collect against any insurers or be

deemed to give such insurers any rights against the Company under or with respect to this Agreement, including, without limitation, any right to be subrogated to the Indemnitees' rights hereunder, unless otherwise expressly agreed to by the Company in writing, and the obligation of such insurers to the Company and the Indemnified Party shall not be deemed to be reduced or impaired in any respect by virtue of the provisions of this Agreement.

19.2 To the extent requested by the Indemnitees and reasonably approved by the Company, the Company may at any time and from time to time provide security to the Indemnitees for the Company's obligations hereunder through an irrevocable bank line of credit, funded trust or other collateral. Any such security, once provided to the Indemnitees, may not be revoked or released without the prior written consent of the Indemnitees.

## **ARTICLE 20: NOTICE**

20.1 Any notice or other communication required or permitted to be given hereunder will be in writing and will be either hand delivered, or will be sent by registered mail, all charges prepaid, to the address set out on the first page hereof.

20.2 In the case of registered mail, any notice or other communication will be deemed to be received on the fourth (4<sup>th</sup>) Business Day following the day of mailing, provided there is no Postal Interruption at the time of mailing or at any time during the five (5) days either preceding or following the day of mailing, in which case any such notice or communication will be deemed to be received only upon actual receipt thereof.

20.3 Any party hereto may, from time to time, modify or change its address by providing written notice to the other party, and thereafter the address as modified or changed will be deemed to be the address of the person specified above.

## **ARTICLE 21: SEVERABILITY**

21.1 If any portion of a provision of this Agreement is held to be invalid, illegal or unenforceable, in whole or in part, for any reason whatsoever:

- (a) the validity, legality and enforceability of the remaining provisions of this Agreement (including, without limitation, all portions of any sections of this Agreement containing any such provision held to be invalid, illegal or unenforceable that are not of themselves in the whole invalid, illegal or unenforceable) will not in any way be affected or impaired thereby; and
- (b) to the fullest extent possible, the provisions of this Agreement (including, without limitation, all portions of any sections of this Agreement containing any such provisions held to be invalid, illegal or unenforceable) will be construed so as to give effect to the intent manifested by the provision which is held to be invalid, illegal or unenforceable.

## **ARTICLE 22: GOVERNING LAW AND SUBMISSION TO JURISDICTION**

22.1 This Agreement and the legal relations among the parties hereunder shall be governed by, and construed and enforced in accordance with, the laws of the province of British Columbia including the laws of Canada applicable therein. Each party to this Agreement submits to the non-exclusive jurisdiction of any British Columbia courts sitting in Vancouver in any action, application, reference or other proceeding arising out of or relating to this Agreement and consents to all claims in respect of any such action, application, reference or other proceeding being heard and determined in such British Columbia courts.

## **ARTICLE 23: MODIFICATIONS AND WAIVERS**

23.1 No supplement, modification or amendment of this Agreement will be binding unless executed in writing by both of the parties hereto.

23.2 This Agreement and the obligations of the Company hereunder will not be affected, discharged, impaired, mitigated or released by reason of any waiver, extension of time or indulgence by the Indemnitees of any breach or default in performance by the Company of any terms, covenants or conditions of this Agreement, nor will any waiver, indulgence or extension of time constitute a waiver of:

- (a) any other provisions hereof (whether or not similar); or
- (b) any subsequent or continuing breach or non-performance,

nor will the failure by the Indemnitees to assert any of their rights or remedies hereunder in a timely fashion be construed as a waiver or acquiescence or affect the Indemnitees' right to assert any such right or remedy thereafter.

## **ARTICLE 24: ENTIRE AGREEMENT**

24.1 This Agreement, together with any provision of applicable law or the Company's constating documents providing, in each case, greater protection than that provided herein, will supersede and replace any and all prior or contemporaneous agreements between the parties (except any written agreement of employment or consulting between the Company or an Affiliate and the Indemnified Party, which agreement of employment or consulting, if in existence, will remain in full effect except to the extent augmented or amended herein) and discussions between the parties hereto respecting the matters set forth herein, and will constitute the entire agreement between the parties hereto with respect to the matters set forth herein.

## **ARTICLE 25: SUCCESSORS AND ASSIGNS**

25.1 This Agreement will be binding upon and enure to the benefit of the Company, its successors and assigns, and the Indemnitees.

## **ARTICLE 26: FURTHER ASSURANCES**

26.1 Each of the parties hereto will at all times and from time to time hereafter and upon every reasonable written request to do so, make, do, execute and deliver, or cause to be made, done, executed and delivered, all such further acts, documents, assurances and things as may be reasonably required for more effectually implementing and carrying out the provisions and the intent of this Agreement.

26.2 The Company hereby covenants to the Indemnified Party that it shall not take any action or refrain from taking of any action, including through an amendment of its constating documents or otherwise, that would diminish the rights of the Indemnified Party under this Agreement. No amendment of this Agreement or the constating documents of the Company or any Affiliate, shall limit or eliminate the right of the Indemnified Party to the benefits, including indemnification and advancement of Expenses set forth in this Agreement.

## **ARTICLE 27: INTERPRETATION**

27.1 Headings will not be used in any way in construing or interpreting any provision hereof.

27.2 Whenever the singular or masculine or neuter is used in this Agreement, the same will be construed as meaning plural or feminine or body politic or corporate or vice versa, as the context so requires.

27.3 Words such as herein, therefrom and hereinafter reference and refer to the whole Agreement, and are not restricted to the clause in which they appear.

## **ARTICLE 28: COUNTERPARTS**

28.1 This Agreement may be executed in any number of counterparts (including counterparts by facsimile or other electronic means) and all such counterparts taken together shall be deemed to constitute one and the same instrument.

*[Remainder of page left intentionally blank. Signature page follows.]*

**IN WITNESS WHEREOF** the parties hereto have executed this Agreement as of the date first written above.

**GLASS HOUSE BRANDS INC.**

Per: \_\_\_\_\_

Name: Kyle D. Kazan

Title: Executive Chairman, Chief Executive Officer and Director

Signature: \_\_\_\_\_

Name: