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): **July 21, 2026 (July 15, 2026)**

STARCO BRANDS, INC.

(Exact name of Company as specified in its charter)

Nevada	000-54892	27-1781753
(State or other jurisdiction of Incorporation)	(Commission File Number)	(IRS Employer Identification Number)

706 N. Citrus Ave.
Los Angeles, CA 90038
(Address of principal executive offices)

888-478-2726
(Registrant's Telephone Number)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A common stock	STCB	OTC Markets Group OTCQB tier

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 (See General Instruction A.2. below):

☐ 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))

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

The disclosures set forth in Item 2.01 and Item 2.03 are hereby incorporated into this Item 1.01 by reference.

Item 2.01 Completion of Acquisition or Disposition of Assets.

Membership Interest Purchase Agreement

On July 15, 2026 (the "Closing Date"), pursuant to a Membership Interest Purchase Agreement (the "Purchase Agreement"), Starco Brands, Inc., a Nevada corporation (the "Company"), through its newly formed and wholly-owned subsidiary Starco Manufacturing, LLC, a Nevada limited liability company ("Starco Manufacturing"), acquired all of the issued and outstanding capital stock of Custom Foods, LLC, a Delaware limited liability company (the "Custom Foods"). Financing related to the acquisition of Custom Foods (the "Acquisition") was secured with funding from Pasadena Private Lending Inc., aDelaware corporation ("PPL") under the Loan Agreement, as further described in Item 2.03 hereto. Capitalized terms used but not otherwise defined herein shall have the respective meanings ascribed to them in the Purchase Agreement.

Under the terms of the Purchase Agreement, Starco Manufacturing acquired all of the outstanding securities of Custom Foods for (i) $8,000,000 of closing cash, and (ii) up to $2,500,000 of earn out consideration based on the Base Business achieving certain Net Revenue metrics during the calendar year ending on December 31, 2027 (the "LBC Earnout"). The LBC Earnout is subject to a sliding scale, as more fully described in the Purchase Agreement.

The foregoing summary of the terms of the Purchase Agreement does not purport to be complete and is qualified in its entirety by reference to the full text of the Purchase Agreement, a copy of which is filed as Exhibit 2.1 to this Current Report on Form 8-K (this "Report") filed with the Securities and Exchange Commission ("Commission") on July 21, 2026, and is incorporated herein by reference.

Item 2.03 Creation of a Direct Financial Obligation.

Loan Agreement

On July 15, 2026, (i) Pasadena Private Lending Inc., a Delaware corporation ("PPL" or "Lender"), (ii) Starco Brands, Inc., a Nevada corporation ("Starco" or the "Company"), (iii) and each of Starco's subsidiaries: (a) Starco Brands, LLC, (b) Starco Manufacturing, LLC, (c) The AOS Group Inc., (d) Soylent Nutrition, Inc., (e) Skylar Body, LLC, (f) Whipshots, LLC, (g) Whipshots Holdings, LLC (the Company and subsidiaries listed in cluases (a) through (g) of this clause (iii), the "Borrowers" and each a "Borrower"), (iv) Ross Sklar, and (v) such other Persons signatory thereto, entered into a Loan Agreement (the "Loan Agreement"), allowing the Company to, among other things, (i) finance the Custom Foods Acquisition, and (ii) expand its access to working capital. Capitalized terms not otherwise defined in this Item 2.03 Loan Agreement will have the meanings set forth in the Loan Agreement.

The Loan Agreement provides for the following:

A term loan in the original principal amount of $11.0 million ("Initial Term Loan") is being provided by Lender to the Borrowers. The proceeds of the Initial Term Loan were required to be used primarily to fund a portion of the purchase price of the Custom Foods Acquisition. Amounts repaid or prepaid under the Initial Term Loan may not be re-borrowed.

Subject to satisfaction of specified conditions, the Borrowers may increase the term loan commitment through up to $4.0 million of additional term loans under an accordion feature. Each increase must be in increments of $1.0 million, and no more than four increases may be requested during the term of the Loan Agreement. Funding of any accordion increase is subject to Lender's approval based on covenant compliance, collateral review, business performance, delivery of an accordion note, and payment of fees and expenses.

The Loan Agreement also provides for a revolving line of credit of up to $3.0 million. Advances may be requested during the draw period, which runs until the earlier of the twenty-four-month anniversary of the agreement, any Lender-approved extension, or the occurrence of an event of default. The aggregate outstanding balance of advances may not exceed $3.0 million at any time. Advances that are repaid may be re-borrowed during the draw period, subject to the maximum line amount.

Requests for line of credit advances must be submitted through a written draw request, and the lender is required to fund approved advances within five business days. Borrowers are not entitled to advances if a default or event of default exists or would result from the borrowing, or if the representations and warranties under the agreement are not true in all material respects. The agreement also imposes a $1,000 fee for each additional draw request or repayment made in a calendar month after the first such transaction.

All obligations under the term loan, accordion loans and line of credit are cross-defaulted and cross-collateralized. As a result, a default under any note constitutes a default under all notes, and all collateral securing the loans may be used by the Lender to satisfy obligations under any of the loan facilities.

The loans are guaranteed by Ross Sklar, Starco's Chief Executive Officer, and various family trusts. The obligations are secured by pledges of equity interests, security interests in substantially all personal property, collateral of the borrowers, Uniform Commercial Code financing statements, collateral assignments related to the Custom Foods Acquisition documents and representations and warranties insurance policy, and related security documents.

The Loan Agreement contains customary affirmative and negative covenants, including restrictions on additional indebtedness, liens, restricted payments, transfers of ownership interests, acquisitions or formation of subsidiaries without lender approval, amendments to acquisition documents, and the incurrence of merchant cash advance financing or similar prohibited financing programs.

The proceeds of the Initial Term Loan were used for the Custom Foods Acquisition, line of credit proceeds for working capital, working capital and certain accordion loan proceeds for repayment of portions of the Bridge Term Loan Promissory Note, dated as of December 22, 2025, issued by Starco Brands, Inc. in favor of the Starco Group, Inc., and filed as Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the Commission on December 23, 2025 (the "Bridge Loan Note").

The Borrowers are also subject to ongoing financial covenants, including a requirement to maintain a Maximum Senior Debt to EBITDA Ratio of no greater than 3.00x and a Fixed Charge Coverage Ratio of at least 2.00x. Compliance is measured quarterly and supported by quarterly compliance certificates and financial reporting obligations. The Loan Agreement includes a limited equity cure right permitting equity contributions or qualifying junior debt contributions to cure certain covenant breaches, subject to specified limitations.

The Borrowers must provide quarterly and annual financial statements, SEC filings, accounts receivable and accounts payable aging reports, tax returns, insurance coverage, and other information requested by the Lender. Insurance coverage of at least $18 million must be maintained, with the Lender named as lender loss payee and/or additional insured.

The Loan Agreement required payment of a non-refundable closing fee equal to 2.0% of the initial $11.0 million term loan amount ($220,000) and an additional 2.0% fee on each accordion increase. Borrowers are also responsible for legal fees, filing fees, perfection costs, administration expenses, and enforcement costs incurred by the Lender.

The Loan Agreement contains customary events of default, including those arising under the notes, failure to deliver required quarterly compliance certificates, and failure to comply with financial covenants. Upon the occurrence of an event of default, the Lender may exercise all available legal and equitable remedies, including acceleration of the obligations and enforcement of its collateral rights.

The foregoing summary of the terms of the Loan Agreement does not purport to be complete and is qualified in its entirety by reference to the full text of the Loan Agreement, a copy of which is filed as Exhibit 10.1 to this Report filed with the Commission on July 21, 2026, and is incorporated herein by reference.

Related Party Notes

In connection with the Loan Agreement, Lender required Mr. Sklar, Starco's Chief Executive Officer, to enter into the Subordination Agreement (defined below) pursuant to which Mr. Sklar's rights under the Consolidated Secured Promissory Note issued in favor of Ross Sklar, dated August 11, 2023 (filed as Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the Commission on August 11, 2023), as amended by that Amendment Number One to Consolidated Secured Promissory Note, by and between Starco Brands, Inc. and Ross Sklar, dated May 31, 2024 (filed as Exhibit 10.2 to the Company's Current Report on Form 8-K filed with the Commission on May 31, 2024), and as further amended by that Amendment Number Two to Consolidated Secured Promissory Note, by and between Starco Brands, Inc. and Ross Sklar, dated August 13, 2025 (filed as Exhibit 10.11 to the Company's Quarterly Report on Form 10-Q filed with the Commission on August 14, 2025) (together, the "Consolidated Note"), would be subordinated to Lender's rights under the Loan Agreement.

In consideration of Mr. Sklar agreeing to subordinate the debt held pursuant to the Consolidated Note, Mr. Sklar, Starco Brands, and Lender agreed to amend and restate the Consolidated Note in its entirety to become that certain Amended and Restated Secured Convertible Promissory Note, dated July 15, 2026, issued from Starco Brands, Inc. to Ross Sklar, an individual (the "Restated Note"), which, among other things, (i) provides that the outstanding balance under the Restated Note may, at the option of the holder, convert into Class A common stock of Starco, and (ii) expressly subjects to the Restated Note to the terms of conditions of the Subordination Agreement.

The foregoing summary of the terms of the Restated Note does not purport to be complete and is qualified in its entirety by reference to the full text of the Restated Note, a copy of which is filed as Exhibit 10.2 to this Report filed with the Commission on July 21, 2026, and is incorporated herein by reference.

Subordination Agreement

In connection with the Loan Agreement, Lender required (a) Mr. Sklar and (b) The Starco Group, Inc., lender under the Bridge Loan Note, to enter into that certain Subordination Agreement, by and among (i) Starco Brands, Inc., (ii) The Starco Group, Inc., (iii) Ross Sklar, and (iv) Pasadena Private Lending Inc., dated July 15, 2026 (the "Subordination Agreement") pursuant to which Mr. Sklar's rights under the Restated Note and The Starco Group, Inc.'s rights under the Bridge Loan Note are subordinated to Lender's rights under the Loan Agreement.

The foregoing summary of the terms of the Subordination Agreement does not purport to be complete and is qualified in its entirety by reference to the full text of the Subordination Agreement, a copy of which is filed as Exhibit 10.3 to this Report filed with the Commission on July 21, 2026, and is incorporated herein by reference.

Item 7.01 Regulation FD Disclosure

On July 21, 2026, the Company, issued a press release titled "Starco Brands Announces Acquisition of Custom Bakehouse." The full text of the press release is attached to this Current Report on Form 8-K as Exhibit 99.1 and is incorporated herein by reference. The press release was also filed on the Company's website. The information in Item 7.01 of this Current Report on Form 8-K and on Exhibit 99.1 shall not be deemed "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, or incorporated by reference in any filing under the Securities Act of 1933 or the Securities Exchange Act of 1934, except as shall be expressly set forth by specific reference in such filing.

Item 9.01 Financial Statements and Exhibits

(a) Financial Statements of Business Acquired. In accordance with Item 9.01(a), the financial statements related to the Acquisition will be filed in accordance with Item 3.05(b) of Regulation S-X as part of an amendment to this Current Report on Form 8-K no later than 71 calendar days after the date this Current Report is required to be filed.

(b) Pro Forma Financial Information. In accordance with Item 9.01(b), the pro forma financial informationrelated to the Acquisition will be filed, in accordance withArticle 11 of Regulation S-X , as part of an amendment to this Current Report on Form 8-K not later than 71 calendar days after the date this Current Report is required to be filed.

(d) Exhibits.

The following exhibits are filed with this Current Report on Form 8-K:

Exhibit Number	Description
2.1†	Membership Interest Purchase Agreement, by and among (i) Starco Brands, Inc., (ii) Starco Manufacturing, LLC, (iii) Custom Foods, LLC, and (iv) Custom Foods Holdings, LLC, dated July 15, 2026.
10.1+†	Loan Agreement, by and among (i) Pasadena Private Lending, Inc., (ii) Starco Brands, Inc., (iii) Starco Brands, LLC, (iv) Starco Manufacturing, LLC, (v) The AOS Group Inc., (vi) Soylent Nutrition, Inc., (vii) Skylar Body, LLC, (viii) Whipshots, LLC, (ix) Whipshots Holdings, LLC, (x) Ross Sklar, and (xi) such other Persons signatory thereto, dated July 15, 2025.
10.2	Amended and Restated Secured Convertible Promissory Note, dated July 15, 2026, issued from Starco Brands, Inc. to Ross Sklar, an individual.
10.3	Subordination Agreement, by and among (i) Starco Brands, Inc., (ii) The Starco Group, Inc., (iii) Ross Sklar, and (iv) Pasadena Private Lending Inc., dated July 15, 2026.
99.1	Press Release titled "Starco Brands Announces Acquisition of Custom Bakehouse."
104	Cover Page Interactive Data File – the cover page XBRL tags are embedded within the Inline XBRL document

+ In accordance with Item 601(b)(10)(iv) and Item 601(a)(6) of Regulation S-K, certain provisions or terms have been redacted. Such redacted information includes information that is not material and treated as confidential by the registrant. The registrant will provide an unredacted copy of the agreement on a supplemental basis to the SEC or its staff upon request.

† Certain of the exhibits and schedules to this exhibit have been omitted in accordance with Regulation S-K Item 601(b)(2) and 601(a). The registrant agrees to furnish a copy of all omitted exhibits and schedules on a supplemental basis to the SEC or its staff upon request.

SIGNATURE

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

STARCO BRANDS, INC.

Dated: July 21, 2026

/s/ Ross Sklar
Ross Sklar
Chief Executive Officer

Exhibit 2.1

EXECUTION VERSION

MEMBERSHIP INTEREST PURCHASE AGREEMENT

dated as of

July 15, 2026

by and among

STARCO BRANDS, INC.,

STARCO MANUFACTURING, LLC,

CUSTOM FOODS, LLC

and

CUSTOM FOODS HOLDINGS, LLC

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Exhibits

MEMBERSHIP INTEREST PURCHASE AGREEMENT

This Membership Interest Purchase Agreement (this "Agreement"), dated as of July 15, 2026 (the 'Effective Date"), is entered into by and among Starco Brands, Inc., a Nevada corporation ("Parent"), Starco Manufacturing, LLC, a Nevada limited liability company ("Acquiror"), Custom Foods, LLC, a Delaware limited liability company (the "Company"), and Custom Foods Holdings, LLC, a Delaware limited liability company ('Seller") as the sole member of the Company. Except as otherwise indicated, capitalized terms used but not defined herein shall have the meanings set forth in Article I of this Agreement.

RECITALS

WHEREAS, Acquiror is a newly formed, wholly-owned and direct subsidiary of Parent, has had and currently has no operations and was formed for the sole purpose of acquiring the Company;

WHEREAS, on the terms and subject to the conditions set forth in this Agreement, at the Closing, Acquiror will acquire all of the outstanding limited liability company interests of the Company (the "Interests") from Seller in exchange for the Purchase Price (as defined below);

WHEREAS, the board of directors of Acquiror has (i) declared advisable this Agreement, the Ancillary Agreements to which it is or will be party and the Transactions and determined that it is in the best interests of Acquiror and its sole member to enter into this Agreement and the Ancillary Agreements to which it is or will be party, and (ii) approved this Agreement, the Ancillary Agreements to which it is or will be party and the Transactions;

WHEREAS, Parent, as the sole member of Acquiror has unanimously (i) declared advisable this Agreement, the Ancillary Agreements to which it is or will be party and the Transactions and determined that it is in the best interests of Acquiror and its sole member to enter into this Agreement and the Ancillary Agreements to which it is or will be party; and (ii) approved this Agreement, the Ancillary Agreements to which it is or will be party and the Transactions;

WHEREAS, the Seller, as the manager and sole member of the Company, has (i) declared advisable this Agreement, the Ancillary Agreements to which it is or will be party and the Transactions and determined that it is in the best interests of the Company and its sole member to enter into this Agreement and the Ancillary Agreements to which it is or will be party, and (ii) approved this Agreement, the Ancillary Agreements to which it is or will be party and the Transactions (collectively, the " Company Approvals"); and

WHEREAS, the board of managers of Seller and LBC Small Cap SBIC, L.P. have (i) declared advisable this Agreement, the Ancillary Agreements to which it is or will be party and the Transactions and determined that it is in the best interests of the Company and its sole member to enter into this Agreement and the Ancillary Agreements to which it is or will be party, and (ii) approved this Agreement, the Ancillary Agreements to which it is or will be party and the Transactions (collectively, the " Seller Approvals" and together with the Company Approvals, the "Seller Party Approvals").

NOW, THEREFORE, in consideration of the foregoing and the respective representations, warranties, covenants and agreements set forth in this Agreement, and intending to be legally bound hereby, Parent, Acquiror, the Company, and Seller agree as follows:

ARTICLE I
CERTAIN DEFINITIONS

1.01 Definitions. As used herein, the following terms shall have the following meanings:

"Accounting Expert" means Richter Consulting Inc. or, if such firm is not substantially independent of the parties hereto or is unwilling or unable to serve, such other independent accounting firm of nationally recognized standing as agreed between Seller and Acquiror that is not at the time it is to be engaged hereunder rendering services to any party hereto (or Affiliate thereof), and has not done so within the two (2) year period prior thereto.

"Accounts Receivable" means all accounts or notes receivable held by a Person.

"Accrued Taxes" means, without duplication, an amount equal to the sum (which may not be less than zero in the aggregate or in respect of any jurisdiction) of (A) the aggregate liability for unpaid Taxes of the Company Entities for or with respect to any Pre-Closing Tax Period, plus (B) Twenty Thousand Dollars ($20,000); provided, that the amount of such Taxes shall be calculated (a) by taking into account any estimated or other prepaid Tax payments or Tax credits only to the extent that such payments or credits can be used under applicable Law to actually reduce (not below zero) the particular Tax in respect of which such payments were made or credits relate, (b) by excluding all deferred Tax assets and liabilities, and (c) with respect to any Straddle Period, by assuming that the amount of such Taxes allocable to the portion of the Straddle Period that is deemed to end on the end of the day on the Closing Date will be: (i) in the case of property taxes and other Taxes imposed on a periodic basis, deemed to be the amount of such Taxes for the entire Straddle Period multiplied by a fraction, the numerator of which is the number of calendar days of such Straddle Period ending on (and including) the Closing Date and the denominator of which is the number of calendar days in the entire Straddle Period, and (ii) in the case of all other Taxes, determined as though the taxable year of the Company terminated at the end of the day on the Closing Date.

"Acquiror" has the meaning set forth in the preamble hereto.

"Acquiror Material Adverse Effect" means any event, development, occurrence, fact, condition or change that has had, or would reasonably be expected to have, individually or in the aggregate, a material adverse effect on the business, results of operations, financial condition, liabilities, operations or assets of Acquiror or Parent, taken as a whole; provided, that "Acquiror Material Adverse Effect" shall not include, either alone or in combination, any event, development, occurrence, fact, condition or change to the extent attributable to: (i) any changes in applicable Laws implemented or interpretations thereof, or changes in accounting requirements or principles, including GAAP, implemented or required to be adopted, in each case, after the date of this Agreement; (ii) general economic or political conditions or conditions generally affecting the capital, credit or financial markets, including any change in interest rates or economic, political, business, financial, commodity, currency or market conditions generally; (iii) conditions generally affecting the industries, markets or geographical areas in which Acquiror or Parent operate; (iv) acts of war (whether or not declared), armed hostilities or terrorism, sabotage or military actions or the escalation or worsening thereof; (v) any acts of God, natural disasters, epidemic, pandemic or disease outbreak (including to the extent caused by or resulting from the COVID-19 pandemic and any actual or potential sequester, stoppage, shutdown, lockdown, default or similar event or occurrence by or involving any Governmental Authority in connection with or resulting from the COVID-19 pandemic), (vi) any failure of Acquiror to meet their financial projections, budgets or estimates (provided that the underlying causes of such failures (subject to the other provisions of this definition) shall not be excluded); (vii) any action required or expressly permitted by this Agreement or any action taken (or not taken) with the written consent of the Company; or (viii) the public announcement, pendency or completion of the Transactions (provided that this clause (viii) shall not apply to any representations or warranty set forth in Section 6.02 or Section 6.03); provided further, however, that any event, development, occurrence, fact, condition or change referred to in clauses (i), (ii), (iii), (iv) and (v) immediately above shall be taken into account in determining whether an Acquiror Material Adverse Effect has occurred or would reasonably be expected to occur to the extent that such event, development, occurrence, fact, condition or change has a disproportionate effect on the Acquiror or Parent as compared to other similarly situated companies. For the avoidance of doubt, an "Acquiror Material Adverse Effect" shall be measured only against past performance of the Acquiror or Parent, and not against any forward-looking statements, projections or forecasts of Acquiror or Parent or any other Person.

"Action" means any claim, action, cause of action, lawsuit, arbitration, notice of violation, proceeding, litigation, subpoena, or investigation by a Governmental Authority, in each case, whether civil, criminal, administrative or regulatory, and whether at Law or in equity.

"Actual Net Revenue" has the meaning set forth in Section 3.05(a).

"Affiliate" means, with respect to any specified Person, any Person that, directly or indirectly, controls, is controlled by, or is under common control with, such specified Person, through one or more intermediaries or otherwise. The term "control" (including the terms "controlled by" and "under common control with") means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by Contract or otherwise.

"Agreement" has the meaning set forth in the preamble hereto.

"Ancillary Agreements" means any certificates, agreements, instruments and documents contemplated to be delivered and executed in connection with the Transactions.

"Anti-Corruption Laws" means any applicable Laws relating to anti-bribery or anti-corruption (governmental or commercial), including the U.S. Foreign Corrupt Practices Act and all applicable Laws enacted to implement the OECD Convention on Combating Bribery of Foreign Officials in International Business Transactions.

"Base Business" means the Business as conducted and in existence as of immediately prior to the Closing. The Base Business shall not include any businesses, products, product lines, customers, or operations added, acquired, developed, introduced, or commercialized by Acquiror or any of its Affiliates after the Closing Date that both (a) were not part of the Business as conducted immediately prior to the Closing and (b) are not a Product or Pipeline Product.

"Benefit Plan" means each (i) "employee benefit plan," (as defined in Section 3(3) of ERISA), whether or not subject to ERISA and (ii) all other pension, retirement, supplemental retirement, deferred compensation, excess benefit, profit sharing, bonus, incentive, stock purchase, stock ownership, restricted stock, stock option, stock appreciation right, phantom equity, other equity-based, severance, salary continuation, supplemental unemployment, termination, transaction or stay bonus, change-of-control, health, dental, life, disability, group insurance, vacation, holiday, sick pay and fringe benefit plan, program, contract, or arrangement (whether written or unwritten), in any case (a) to which any Company Entity is party, (b) sponsored, maintained, contributed to, or required to be contributed to, by any Company Entity for the benefit of any current or former employee, director, officer or individual independent contractor of a Company Entity, or (c) under which any Company Entity has any Liability, including on account of any ERISA Affiliate.

"Business" means the business of the Company Entities collectively, as conducted presently, including the development, blending, manufacture, production, processing, formulation, packaging, co-packaging, labeling, marketing, sale, and distribution of the Products and Pipeline Products, whether under proprietary brands, private label or store brand arrangements, or contract manufacturing or co-packing programs, through all Customer Channels served by the Company Entities; and references to "business of the Company", "the Company's business" or phrases of similar import shall be deemed to refer to the business of the Company Entities collectively, as conducted presently.

"Business Day" means a day other than a Saturday, Sunday or other day on which commercial banks in Los Angeles, California are authorized or required by Law to close.

"Cap" has the meaning set forth in Section 8.03.

"CARES Act" means the Coronavirus Aid, Relief, and Economic Security Act.

"Cash and Cash Equivalents" means cash, other than cash that is legally restricted from use by the Company Entities pursuant to applicable Law or a written Contract with a third party (including any security deposit made pursuant to any lease for Leased Real Property, which shall not be considered Cash and Cash Equivalents) or pledged or held as collateral in escrow or other restricted accounts, on a consolidated basis, less the amounts of any outstanding checks dated prior to the Closing, and drafts and wire transfers processed prior to the Closing, plus the amount of any uncleared checks, wire transfers, and drafts deposited for the account of the Company Entities prior to the Closing, in each case, calculated in accordance with GAAP.

"Change of Control" means any of the following events: (a) any sale, transfer, assignment or other disposition (whether in one transaction or a series of related transactions) by Acquiror or any of its Affiliates of all or substantially all of the equity interests of the Company to any Person or group of Persons (other than Acquiror or an Affiliate of Acquiror); (b) any sale, transfer, assignment or other disposition (whether in one transaction or a series of related transactions) of all or substantially all of the assets of the Company and its Subsidiaries, taken as a whole, to any Person or group of Persons (other than Acquiror or an Affiliate of Acquiror); or (c) any merger, consolidation, recapitalization or other business combination involving the Company following which the equityholders of Acquiror as of immediately prior to such transaction collectively hold less than fifty percent (50%) of the voting power of the surviving or resulting entity (or its ultimate parent). For purposes of this definition, "group" shall have the meaning assigned to it in Section 13(d)(3) of the Exchange Act.

"Change of Control Payments" means the obligations of the Company Entities set forth on the Closing Date Expense Statement and labeled as "Change of Control Payments".

"Closing" has the meaning set forth in Section 2.02.

"Closing Date" has the meaning set forth in Section 2.02.

"Closing Date Indebtedness" means the obligations of the Company Entities set forth on the Closing Date Indebtedness Statement.

"Closing Payment" has the meaning set forth in Section 3.01.

"Code" means the Internal Revenue Code of 1986, as amended.

"Company" has the meaning set forth in the preamble hereto.

"Company Affiliate Agreement" has the meaning set forth in Section 4.21.

"Company Entities" means, collectively, the Company and its Subsidiaries.

"Company Intellectual Property" means all Owned Intellectual Property and all Intellectual Property used in the Business.

"Company IP Agreements" means all written licenses, sublicenses, consent to use agreements, settlements, coexistence agreements, covenants not to sue, permissions and other Contracts (including any right to receive or obligation to pay royalties or any other consideration), relating to Intellectual Property to which any Company Entity is a party.

"Company IP Registrations" means all Owned Intellectual Property that is subject to any issuance, registration, application or other filing by, to or with any Governmental Authority or, in the case of domain names, authorized domain name registrar, in any jurisdiction, including registered trademarks, registered domain names, copyright registrations, issued and reissued patents and pending applications for any of the foregoing.

"Company Permits" has the meaning set forth in Section 4.23.

"Company Transaction Expenses" means the obligations of the Company Entities set forth on the Closing Date Expense Statement and labeled as "Company Transaction Expenses".

"Contract" means, with respect to any Person, any agreement, indenture, debt instrument, contract, guarantee, loan, note, mortgage, license, lease, purchase order, delivery order, or other binding commitment, in each case, in writing or otherwise legally binding, including all amendments and modifications relating thereto, to which such Person is a party or by which it or any of its assets or properties is bound.

"COVID-19" means SARS-CoV-2 or COVID-19, and any evolutions, derivatives, strains, variants or mutations thereof or related or associated epidemics, pandemic or disease outbreaks.

"Customer Channels" means any customer relationships, distribution arrangements, supply agreements, broker arrangements, and sales channels of any Company Entity, including relationships with national and regional retailers, specialty and natural food retailers, club stores, mass merchandisers, foodservice distributors, wholesale distributors, e-commerce and direct-to-consumer platforms, and any other retail, wholesale or distribution channels, through which Products are sold or distributed.

"Disclosure Schedules" means the Disclosure Schedules delivered by the Company concurrently with the execution and delivery of this Agreement.

"Earn-Out Statement Deadline" has the meaning set forth in Section 3.05(a).

"Effective Date" has the meaning set forth in the Preamble.

"Environmental Law" means any applicable Law, and any Governmental Order or binding agreement with any Governmental Authority: (A) relating to pollution (or the cleanup or prevention thereof) or the protection of natural resources, endangered or threatened species, human health or safety, product safety, or the environment (including ambient air, soil, surface water or groundwater, or subsurface strata); or (B) concerning the presence of, exposure to, or the management, manufacture, use, handling, containment, storage, recycling, reclamation, reuse, treatment, generation, discharge, release, emission, transportation, processing, production, disposal or remediation of any hazardous or toxic material, substance, or waste, including polychlorinated biphenyls (PCBs), asbestos, petroleum and petroleum-derived substances, toxic mold, urea-formaldehyde, and radon and other radioactive substances. The term "Environmental Law" includes the following (including their implementing regulations and any state analogs): the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended by the Superfund Amendments and Reauthorization Act of 1986, 42 U.S.C. §§ 9601 et seq.; the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act of 1976, as amended by the Hazardous and Solid Waste Amendments of 1984, 42 U.S.C. §§ 6901 et seq.; the Federal Water Pollution Control Act of 1972, as amended by the Clean Water Act of 1977, 33 U.S.C. §§ 1251 et seq.; the Toxic Substances Control Act of 1976, as amended, 15 U.S.C. §§ 2601 et seq.; the Emergency Planning and Community Right-to-Know Act of 1986, as amended, 42 U.S.C. §§ 11001 et seq.; the Clean Air Act of 1966, as amended by the Clean Air Act Amendments of 1990, 42 U.S.C. §§ 7401 et seq.; the Occupational Safety and Health Act of 1970, as amended, 29 U.S.C. §§ 651 et seq.; and the Hazardous Materials Transportation Act, as amended, 49 U.S.C. §§ 5101 et seq.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended.

"ERISA Affiliate" means any entity that is considered a single employer with any Company Entity under Section 414(b) or (c) of the Code (or, solely for purposes of Section 412 of the Code, under Section 414(m) or (o) of the Code) or Section 4001 of ERISA.

"Exchange Act" means the Securities Exchange Act of 1934, as amended.

"FDA" means the U.S. Food and Drug Administration and any successor entity.

"Financial Derivative/Hedging Arrangement" means any transaction (including an agreement with respect thereto) which is a rate swap transaction, basis swap, forward rate transaction, commodity swap, commodity option, equity or equity index swap, equity or equity index option, bond option, interest rate option, foreign exchange transaction, cap transaction, floor transaction, collar transaction, currency swap transaction, cross-currency swap transaction, currency option or any combination of these transactions.

"Financial Statements" has the meaning set forth in Section 4.06.

"Fraud" means intentional (and not constructive) fraud under Delaware common law.

"GAAP" means United States generally accepted accounting principles, as of the applicable time, then in effect and consistently applied.

"Governmental Authority" means any national, federal, state, provincial, county, municipal or local government, foreign or domestic, or the government of any political subdivision of any of the foregoing, or any entity, authority, agency, commission, board, ministry or other similar body exercising executive, legislative, judicial (including any court or arbitrator (public or private)), regulatory or administrative authority or functions of or pertaining to government, including any authority or other quasi-governmental entity established to perform any of such functions.

"Governmental Order" means any order, judgment, injunction, decree, writ, stipulation, determination or award, in each case, entered by or with any Governmental Authority.

"Gross Revenue" means, for any applicable measurement period, all revenue received or receivable from or through (a) the sale, distribution, or licensing of any and all Products and Pipeline Products and (b) the operation of the Business, including trade promotion income, slotting fee recoveries, co-operative advertising reimbursements, commodity hedging gains, contract manufacturing and co-packing fees, and any royalties, license fees, or other payments received in connection with the Products or Pipeline Products, in each case of the foregoing clauses (a) and (b), whether directly or through brokers, distributors, or other intermediaries.

"Indebtedness" means, with respect to any Person, any obligations consisting of (a) the outstanding principal amount of and accrued and unpaid interest on, and other payment obligations for, borrowed money, or payment obligations issued or incurred in substitution or exchange for payment obligations for borrowed money, including from any government stimulus liabilities, such as the PPP Loan, (b) payment obligations evidenced by any promissory note, bond, debenture, mortgage or other debt instrument or debt security, (c) contingent reimbursement obligations with respect to letters of credit, bankers' acceptance or similar facilities (in each case to the extent drawn), (d) payment obligations of a third party secured by any Lien, other than a Permitted Lien, on assets or properties of such Person, whether or not the obligations secured thereby have been assumed, (e) obligations under any Financial Derivative/Hedging Arrangement, (f) all amounts (plus any associated withholding Taxes or any Taxes required to be paid by any Company Entity with respect thereto and plus any increase in workers' compensation premiums as a result of such payments) payable by the Company Entities, whether immediately or in the future, under any "change of control," retention, termination, compensation, severance or other similar arrangements, (g) Accrued Taxes, (h) guarantees, make-whole agreements, hold harmless agreements or other similar arrangements with respect to any amounts of a type described in clauses (a) through (g) above, and (i) with respect to each of the foregoing, any unpaid interest, breakage costs, prepayment or redemption penalties or premiums, or other unpaid fees or obligations; *provided*, *however*, that Indebtedness shall not include (w) liabilities to the extent included in the definition of Change of Control Payments, (x) capital lease obligations, (y) accrued or unearned but unpaid bonuses, commissions, deferred compensation, paid time off, sick leave, or any earned but not yet funded employer contributions with respect to any 401(k) plan maintained by the Company (as determined in a manner consistent with the Company's historical practices), or unfunded workers' compensation liabilities, or (z) Taxes (other than as specified in the foregoing clause (f) and (g)).

"Insurance Policies" has the meaning set forth in Section 4.17.

"Intellectual Property" means all intellectual property and industrial property rights, however arising, pursuant to the Laws of any jurisdiction throughout the world, whether registered or unregistered, including any and all rights with respect to: (a) trademarks, service marks, trade and d/b/a names, brand names, logos, trade dress and other similar designations of source, sponsorship, association or origin, together with the goodwill connected with the use of and symbolized by, and all registrations, applications and renewals for, any of the foregoing; (b) internet domain names, whether or not trademarks, registered in any top-level domain by any authorized private registrar or Governmental Authority, social and mobile media identifiers; (c) works of authorship, designs and design registrations, whether or not copyrightable, including copyrights, author, performer, moral rights, and all registrations, applications for registration and renewals of such copyrights; (d) inventions, discoveries, trade secrets, business and technical information and know-how, databases, data collections and other confidential and proprietary information and all rights therein; (e) patents (including all reissues, divisionals, provisionals, continuations and continuations-in-part, re-examinations, renewals, substitutions and extensions thereof), patent applications, and other patent rights and any other Governmental Authority-issued indicia of invention ownership (including inventor's certificates, petty patents and patent utility models); and (f) Software and firmware, including data files, source code, object code, application programming interfaces, architecture, files, records, schematics, computerized databases and other related specifications and documentation.

"Interests" has the meaning set forth in the Recitals.

"Interim Balance Sheet Date" has the meaning set forth in Section 4.06(a).

"Inventory" means any and all goods, products and other items of the Company, wherever located.

"IRS" means the Internal Revenue Service.

"Knowledge of the Company" means, with respect to the Company and its Subsidiaries, the actual knowledge of Paul Nelson, Chris Sanchez, Michael Palis and Jonathan Cranford, after reasonable inquiry by such individuals.

"Law" means any law (including common law), statute, ordinance, regulation, Wage Order, rule or Governmental Order, in each case, of any Governmental Authority.

"Leased Real Property" means all of the right, title and interest of the Company Entities under all leases, subleases, licenses, concessions and other agreements, pursuant to which any Company Entity holds a leasehold or sub-leasehold estate in, or is granted the right to access, use or occupy, any land, buildings, improvements, fixtures or other interest in real property.

"Leases" has the meaning set forth in Section 4.18(b).

"Letter of Intent" means the Letter of Intent between the Company and Acquiror, dated June 1, 2026.

"Liabilities" means liabilities, obligations or commitments of any nature whatsoever, asserted or unasserted, known or unknown, absolute or contingent, accrued or unaccrued, matured or unmatured or otherwise.

"Lien" means any mortgage, deed of trust, pledge, hypothecation, claim, adverse interest, easement, right of way, purchase option, right of first refusal, covenant, restriction, security interest, title defect, encroachment or other survey defect, or other lien or encumbrance of any kind, except for any restrictions arising under any applicable Securities Laws.

"Losses" means losses, Liabilities, actions, claims, demands, judgments, obligations, damages, Taxes, interest, awards, fines, penalties, costs and expenses (including out-of-pocket legal fees, costs and expenses incurred in investigating, preparing or defending the foregoing) whether or not involving a third party.

"Marie Callender's Agreement" means (i) the Trademark License Agreement, dated January 1, 1994 (the "Original MC Agreement"), by and between Marie Calendar Pie Shops, Inc. ("MCPSI"), Donald W. Callender, in his individual capacity and as Trustee of the Donald W. Callender Family Trust dated September 14, 1977 (collectively, "Callender"), and International Commissary Corporation ("ICC"), (ii) the Trademark License Agreement, dated March 31, 1997, by and between MCPSI, Callender, Interstate Brands Corporation, and ICC, (iii) the Assignment and Assumption Agreement, dated June 9, 2011, by and between ConAgra Foods RDM, Inc. and MCSPI ("ConAgra"), and (iv) the Sublicense, dated August 31, 2018, by and between ICC and the Company.

"Material Adverse Effect" means any event, development, occurrence, fact, condition or change that has had, or would reasonably be expected to have, individually or in the aggregate, a material adverse effect on the business, results of operations, financial condition, liabilities, operations or assets of the Company Entities, taken as a whole; provided, that a "Material Adverse Effect" shall not include, either alone or in combination, any event, development, occurrence, fact, condition or change to the extent attributable to: (i) any changes in applicable Laws implemented or interpretations thereof, or changes in accounting requirements or principles, including GAAP, implemented or required to be adopted, in each case, after the date of this Agreement; (ii) general economic or political conditions or conditions generally affecting the capital, credit or financial markets, including any change in interest rates or economic, political, business, financial, commodity, currency or market conditions generally; (iii) conditions generally affecting the industries, markets or geographical areas in which the Company Entities operate; (iv) acts of war (whether or not declared), armed hostilities or terrorism, sabotage or military actions or the escalation or worsening thereof; (v) any acts of God, natural disasters, epidemic, pandemic or disease outbreak (including to the extent caused by or resulting from the COVID-19 pandemic and any actual or potential sequester, stoppage, shutdown, lockdown, default or similar event or occurrence by or involving any Governmental Authority in connection with or resulting from the COVID-19 pandemic), (vi) any failure of the Company Entities to meet their financial projections, budgets or estimates (provided that the underlying causes of such failures (subject to the other provisions of this definition) shall not be excluded); (vii) any action required or expressly permitted by this Agreement or any action taken (or not taken) with the written consent of Acquiror; or (viii) the public announcement, pendency or completion of the Transactions (provided, that this clause (viii) shall not apply to any representation or warranty set forth in Section 4.02, Section 4.03 or Section 4.04); provided further, however, that any event, development, occurrence, fact, condition or change referred to in clauses (i), (ii), (iii), (iv) and (v) immediately above shall be taken into account in determining whether a Material Adverse Effect has occurred or would reasonably be expected to occur to the extent that such event, development, occurrence, fact, condition or change has a disproportionate effect on the Company Entities as compared to other similarly companies. For the avoidance of doubt, a "Material Adverse Effect" shall be measured only against past performance of the Company, and not against any forward-looking statements, projections or forecasts of the Company or any other Person.

"Material Contracts" has the meaning set forth in Section 4.12.

"Maximum Earn-Out Amount" means Two Million Five Hundred Thousand Dollars ($2,500,000).

"Maximum Net Revenue Target" means $20,430,926.00.

"Methodology" has the meaning set forth in Section 7.04(c).

"Minimum Net Revenue Target" means $18,354,573.00.

"Net Revenue" means, for any applicable measurement period, (a) Gross Revenue *less* (b) only the following deductions, in each case solely to the extent (A) directly and specifically attributable to the sale of the Products or Pipeline Products by any Company Entity and not allocated from Acquiror's or any of its Affiliate's consolidated operations, (B) actually incurred, paid, credited, or accrued during the applicable measurement period, and (C) calculated in accordance with Section 3.05(g):

(i) trade discounts, rebates, promotions, slotting/trade spend, off-invoice items, distributor adjustments, quantity or volume discounts, and early payment discounts, in each case to the extent actually taken by customers and reflected in reduced payments received by such Company Entity, but excluding any discretionary discounts, promotional pricing, or price concessions offered, implemented, or expanded by Acquiror or any of its Affiliates after the Closing Date to the extent such discounts, promotional pricing, or price concessions exceed the levels in effect during the twelve (12)-month period immediately preceding the Closing Date, measured on a per-unit and per-product-line basis;

(ii) credits and allowances for Products or Pipeline Products actually returned by customers, provided that such returns are processed in accordance with the Company's return policies as in effect on the Closing Date and are not attributable to recalls, quality failures, or delivery errors in respect of any Product or Pipeline Product caused by Acquiror or any of its Affiliates;

(iii) sales taxes, value-added taxes, excise taxes, and similar taxes, in each case solely to the extent imposed directly on the sale of the Products and collected from customers on behalf of a Governmental Authority, but excluding any income taxes, franchise taxes, or other Taxes imposed on the Company, Acquiror, or any of their respective Affiliates; and

(iv) freight, shipping, and delivery charges, solely to the extent (i) separately invoiced to and collected from customers, (ii) passed through on a dollar-for-dollar basis to third-party carriers, and (iii) not included as a component of the selling price for any Product or Pipeline Product.

Notwithstanding the foregoing, Net Revenue shall not be reduced by the following: (I) any cost of goods sold, manufacturing costs, ingredient costs, packaging costs, warehousing costs, distribution center costs, or other costs of production; (II) any selling, general, and administrative expenses, marketing expenses, broker commissions, or slotting fees or trade spend paid to retailers; (III) any reserves, provisions, or accruals for doubtful accounts, bad debts, or uncollectible receivables; (IV) any intercompany charges, management fees, overhead allocations, shared services fees, or similar charges imposed by Acquiror or any of its Affiliates; (V) any restructuring charges, integration costs, or one-time charges of any kind; (VI) any impairment charges or write-downs of inventory, goodwill, or other assets; and (VII) any other deductions not expressly enumerated in clauses (i) through (iv) above.

"Non-Disclosure Agreement" means that certain Confidentiality and Non-Disclosure Agreement, dated as of December 2, 2025, by and between Parent and the Company (acting through its agent, Craig-Hallum Capital Group, LLC).

"Organizational Documents" has the meaning set forth in Section 4.01.

"Owned Intellectual Property" means all Intellectual Property owned by the Company or any of its Subsidiaries.

"Permits" means any franchise, approval, permit, authorization, license, order, registration, certificate, variance and other similar permit or rights obtained from any Governmental Authority necessary or advisable for the operations of the Business and all pending applications therefor.

"Permitted Liens" means (i) statutory or common law Liens of mechanics, materialmen, warehousemen, landlords, carriers, repairmen, construction contractors and other similar Liens (A) that arise in the ordinary course of business and (B) that relate to amounts not yet delinquent, (ii) statutory Liens for Taxes not yet due and payable or which are being contested in good faith by appropriate proceedings for which adequate reserves have been established in the Financial Statements, and (iii) Liens described on Schedule 1.01(a).

"Person" means an individual, partnership, corporation, limited liability company, joint stock company, unincorporated organization or association, trust, joint venture, association or other organization, whether or not a legal entity, or a Governmental Authority.

"Pipeline Products" means any product or product line that has been sold, marketed or offered by or on behalf of any Company Entity at any time during the five (5)-year period ending on the Closing Date or is being sold, marketed or offered as of immediately prior to the Closing, in each case, to an existing customer as of immediately prior to the Closing (an "Existing Customer"). For the avoidance of doubt, revenue from (a) any business that is not included within the Base Business, (b) products that are not Products or otherwise described in the immediately preceding sentence, or (c) customers added by Acquiror after the Closing that are not Existing Customers will be excluded from the calculation of Actual Net Revenue for purposes of Section 3.05(b).

"PPP" means the Paycheck Protection Program set forth in the CARES Act (H.R. 748), including all rules and regulations promulgated in connection therewith.

"PPP Loan" means that certain loan made to the Company under the PPP, in the original principal amount of $1,120,935.00 and administered by KeyBank, bearing SBA Loan Number 5709277103

"Pre-Closing Tax Period" means any taxable period ending on or before the Closing Date and the portion of any Straddle Period ending on the Closing Date.

"Press Release" has the meaning set forth in Section 7.03.

"Products" means the food products developed, prepared, manufactured, produced, processed, formulated, bottled, blended, packaged, labeled, stored, marketed, sold or made available for sale, or distributed by or on behalf of any Company Entity or any predecessor thereof in connection with the Business, whether sold under proprietary brands, private label arrangements, contract manufacturing programs, co-packing programs or any other brand or label, and regardless of form, format, size, flavor, variety, or packaging configuration, including all dry food products, dry blended food mixes, cornbread and corn muffin mixes, scone mixes, muffin mixes, cake and brownie mixes, pancake and waffle mixes, cookie mixes, ice cream mixes, bread mixes, pound cake mixes, drink mixes, batter and breading mixes, spice and seasoning blends, ingredients, stock-keeping units, product varieties and any other consumable dry mix product, in each case, in existence and commercially available as of immediately prior to the Closing.

"Purchase Price" means (a) the Closing Payment, *plus* (b) the Earn-Out Payment (if any).

"R&W Policy" means the buy-side representation and warranty insurance policy to be obtained by Acquiror in connection with the transactions contemplated by this Agreement.

"R&W Policy Costs" means any costs and expenses related to the R&W Policy, including the total premium, underwriting costs, brokerage commissions for Acquiror's broker, Taxes related to such policy, all retentions and other fees and expenses of such policy.

"Regulatory Agencies" means any applicable federal, state, local governmental entity that is concerned with the use, control, safety, efficacy, reliability, manufacturing, marketing, distribution, sale, licensing, or other commercialization relating to any product of Company Entities, including the FDA.

"Related Parties" means, with respect to a Person, such Person's former, current and future direct or indirect equityholders, controlling Persons, shareholders, optionholders, members, general or limited partners, Affiliates, representatives, and each of their respective successors and assigns.

"Representative" means, with respect to any Person, any and all members, partners, stockholders, directors, managers, officers, employees, consultants, financial advisors, legal counsel, accountants, lenders, investment bankers and other agents of such Person.

"Review Period" means a period of sixty (60) days after delivery of the Earn-Out Statement.

"Schedules" means the disclosure schedules of the Company and its Subsidiaries.

"SEC" means the United States Securities and Exchange Commission.

"Securities Act" means the Securities Act of 1933, as amended.

"Securities Laws" means the securities Laws of any state, federal or foreign entity and the rules and regulations promulgated thereunder.

"Seller Material Adverse Effect" means any event, development, occurrence, fact, condition or change that has had, or would reasonably be expected to have, individually or in the aggregate, a material adverse effect on the business, results of operations, financial condition, liabilities, operations or assets of Seller, taken as a whole; provided, that "Seller Material Adverse Effect" shall not include, either alone or in combination, any event, development, occurrence, fact, condition or change to the extent attributable to: (i) any changes in applicable Laws implemented or interpretations thereof, or changes in accounting requirements or principles, including GAAP, implemented or required to be adopted, in each case, after the date of this Agreement; (ii) general economic or political conditions or conditions generally affecting the capital, credit or financial markets, including any change in interest rates or economic, political, business, financial, commodity, currency or market conditions generally; (iii) conditions generally affecting the industries, markets or geographical areas in which Seller operates; (iv) acts of war (whether or not declared), armed hostilities or terrorism, sabotage or military actions or the escalation or worsening thereof; (v) any acts of God, natural disasters, epidemic, pandemic or disease outbreak (including to the extent caused by or resulting from the COVID-19 pandemic and any actual or potential sequester, stoppage, shutdown, lockdown, default or similar event or occurrence by or involving any Governmental Authority in connection with or resulting from the COVID-19 pandemic), (vi) any failure of Acquiror to meet their financial projections, budgets or estimates (provided that the underlying causes of such failures (subject to the other provisions of this definition) shall not be excluded); (vii) any action required or expressly permitted by this Agreement or any action taken (or not taken) with the written consent of Acquiror; or (viii) the public announcement, pendency or completion of the Transactions (provided that this clause (viii) shall not apply to any representations or warranty set forth in Section 6.02 or Section 6.03); provided further, however, that any event, development, occurrence, fact, condition or change referred to in clauses (i), (ii), (iii), (iv) and (v) immediately above shall be taken into account in determining whether a Seller Material Adverse Effect has occurred or would reasonably be expected to occur to the extent that such event, development, occurrence, fact, condition or change has a disproportionate effect on Seller as compared to other similarly situated companies. For the avoidance of doubt, a "Seller Material Adverse Effect" shall be measured only against past performance of Seller, and not against any forward-looking statements, projections or forecasts of Seller or any other Person.

"Software" means any and all (a) computer programs, including any and all software implementation of algorithms, models and methodologies, whether in source code or object code, (b) databases and compilations, including any and all data and collections of data, whether machine readable or otherwise, (c) descriptions, flow charts and other work products used to design, plan, organize and develop any of the foregoing, screens, user interfaces, report formats, firmware, development tools, templates, menus, buttons and icons and (d) all documentation including user manuals and other training documentation relating to any of the foregoing.

"Straddle Period" means any taxable period beginning on or before the Closing Date and ending after the Closing Date.

"Subsidiary" means, with respect to a Person, any corporation or other organization (including a limited liability company or a partnership), whether incorporated or unincorporated, of which such Person directly or indirectly owns or controls a majority of the securities or other interests having by their terms ordinary voting power to elect a majority of the board of directors or others performing similar functions with respect to such corporation or other organization or any organization of which such Person or any of its Subsidiaries is, directly or indirectly, a general partner or managing member.

"Systems" means Software, servers, networking circuits, networks, computer platforms, computers, hardware, databases, telecommunications equipment and all other similar technology infrastructure assets used by the Company Entities in the conduct of the Business.

"Tail Coverage" means the extended reporting endorsement, commonly referred to as "tail coverage," procured by the Company prior to the Closing for all post-Closing "claims made."

"Tax" means any federal, state, provincial, territorial, local, foreign and other net income, alternative or add-on minimum, franchise, gross income, adjusted gross income or gross receipts, employment, withholding, payroll, ad valorem, transfer, franchise, license, excise, severance, stamp, occupation, premium, personal property, real property, capital stock, profits, disability, registration, value added, estimated, customs duties, escheat or unclaimed property, sales, use, or other tax, custom, duty, governmental fee, charge or other like assessment in the nature of a tax and imposed by a Governmental Authority, whether disputed or not, together with any interest, penalty, addition to tax or additional amount imposed with respect thereto by a Governmental Authority, and together with any Liability for the Taxes of any other Person under Treasury Regulations Section 1.1502-6 (or any similar provision of state, local, or foreign law) as a transferee or successor, by Contract, or otherwise.

"Tax Purchase Price" has the meaning set forth in Section 7.04(c).

"Tax Return" means any return, report, statement, refund, claim, declaration, information return, statement, estimate or other document filed or required to be filed with a Governmental Authority with respect to Taxes, including any schedule or attachment thereto and including any amendments thereof.

"Tax Sharing Agreement" means any Contract, a primary purpose of which is the sharing or allocation of, or indemnification for, Taxes.

"Transaction Form 8-K" has the meaning set forth in Section 7.03.

"Transactions" means the transactions contemplated by this Agreement to occur at or immediately prior to the Closing, including the purchase and sale of the Interests.

"Transfer Taxes" has the meaning set forth in Section 7.04(a).

"Treasury Regulations" means the regulations promulgated under the Code.

"U.S. Trade Laws" means any U.S. Law of any Governmental Authority concerning the import, export, or re-export of products, technology and/or services, and the terms and conduct of transactions and making or receiving of payments related to such import, export, or re-export, including, but not limited to, as applicable, the Laws administered or enforced by U.S. Customs and Border Protection, the U.S. Department of Commerce's Bureau of Industry and Security, and/or the U.S. Department of Treasury's Office of Foreign Assets Control.

"Units" means the Interests of the Company designated as units.

"Year-End Financial Statements" has the meaning set forth in Section 4.06(a).

1.02 Construction.

(a) Unless the context of this Agreement otherwise requires, (i) words of any gender include each other gender, (ii) words using the singular or plural number also include the plural or singular number, respectively, (iii) the terms "hereof," "herein," "hereby," "hereto" and derivative or similar words refer to this entire Agreement, (iv) the terms "Article", "Section", "Schedule", "Exhibit" and "Annex" refer to the specified Article, Section, Schedule, Exhibit or Annex of or to this Agreement unless otherwise specified, (v) the word "including" shall mean "including without limitation", (vi) the phrase "to the extent" shall mean the degree to which a subject or other thing extends, and such phrase shall not mean simply "if" and (vii) the word "or" shall be disjunctive but not exclusive.

(b) Unless the context of this Agreement otherwise requires, references to agreements and other documents shall be deemed to include all subsequent amendments and other modifications thereto.

(c) Unless the context of this Agreement otherwise requires, references to statutes shall include all regulations promulgated thereunder and references to statutes or regulations shall be construed as including all statutory and regulatory provisions consolidating, amending or replacing the statute or regulation.

(d) The language used in this Agreement shall be deemed to be the language chosen by the parties to express their mutual intent and no rule of strict construction shall be applied against any party.

(e) Whenever this Agreement refers to a number of days, such number shall refer to calendar days unless Business Days are specified. If any action required to be taken on or by a Business Day is to be taken or given on or by a particular calendar day, and such calendar day is not a Business Day, then such action shall be taken or given on or by the next Business Day.

(f) All accounting terms used herein and not expressly defined herein shall have the meanings given to them under GAAP.

(g) The phrases "delivered," "provided to," "furnished to," "made available" and phrases of similar import when used herein, unless the context otherwise requires, means that a copy of the information or material referred to has been uploaded to the Datasite no later than two (2) Business Days prior to the date of this Agreement to the party to which such information or material is to be provided or furnished.

(h) References to "$" or "dollars" refer to lawful currency of the United States.

(i) Writing includes typewriting, printing, photography, email and other modes of representing or reproducing words in a legible and non-transitory form.

(j) Terms defined in this Agreement by reference to any other agreement, document or instrument have the meanings assigned to them in such agreement, document or instrument whether or not such agreement, document or instrument is then in effect.

ARTICLE II
PURCHASE AND SALE; CLOSING

2.01 Agreement to Purchase and Sell. Contemporaneously with the execution and delivery of this Agreement and subject to the terms and conditions herein, Seller will sell, transfer and deliver to Acquiror, and Acquiror will purchase and acquire from Seller, all of the Interests, free and clear of any and all Liens other than restrictions on transfer arising pursuant to applicable federal and state securities laws.

2.02 Closing. Subject to the terms and conditions of this Agreement, the consummation of the transactions contemplated by this Agreement (the "Closing") shall take place at the offices of Sklar Kirsh LLP, 1850 Sawtelle Boulevard, Suite 300, Los Angeles, California 90025, at 10:00 a.m., Pacific Time, on the Effective Date; *provided*, that the Closing shall be treated as having occurred at 12:01 a.m., Pacific Time, on the Closing Date for all purposes under this Agreement; provided that Accrued Taxes will be calculated as of the end of the day on the Closing Date. The date on which the Closing is to occur is herein referred to as the "Closing Date".

ARTICLE III
CLOSING PAYMENTS

3.01 Closing Payment. The aggregate cash amount to be paid for the Interests by Acquiror at the Closing (the "Closing Payment") shall be an amount equal to (a) ten million five hundred thousand Dollars ($10,500,000), less (b) the Maximum Earn-Out Amount, less (c) the aggregate amount of the Closing Date Indebtedness as set forth on the Closing Date Indebtedness Statement, less (d) the aggregate amount of all Change of Control Payments and Company Transaction Expenses as set forth on the Closing Date Expense Statement, plus (e) the aggregate amount of all Cash and Cash Equivalents.

3.02 Closing Date Statements.

(a) Attached hereto as Exhibit 3.02(a) is a statement (the "Closing Date Indebtedness Statement") that sets forth, by lender, the aggregate amount of each obligation of the Company Entities payable to such lenders that is to be repaid, discharged or satisfied at the Closing.

(b) Attached hereto as Exhibit 3.02(b) is a statement (the "Closing Date Expense Statement") that sets forth, by payee, the Change of Control Payments and the Company Transaction Expenses.

3.03 Payment of the Closing Payment. At the Closing, Acquiror shall pay or cause to be paid to Seller, to such account(s) as specified by Seller to Acquiror in writing, the Closing Payment by wire transfer of immediately available funds.

3.04 Payment of Other Amounts Payable at the Closing. At the Closing, Acquiror shall:

(a) on behalf of the Company, pay to such account(s) and in such amounts as the Company specifies to Acquiror in the Closing Date Indebtedness Statement, the aggregate amount of the Closing Date Indebtedness by wire transfer of immediately available funds; provided that any Taxes included in Indebtedness shall be retained by Acquiror for payment to the applicable Governmental Authority when due;

(b) on behalf of the Company, pay to such account(s) and in such amounts as the Company specifies to Acquiror pursuant to the Closing Date Expense Statement, the aggregate amount of the Company Transaction Expenses by wire transfer of immediately available funds; and

(c) on behalf of the Company, pay to such account(s) and in such amounts as the Company specifies to Acquiror pursuant to the Closing Date Expense Statement, the aggregate amount of the Change of Control Payments by wire transfer of immediately available funds.

For clarity, it is contemplated that the Closing Date Indebtedness Statement and the Closing Date Expense Statement provides an irrevocable direction by Seller to Acquiror to make certain payments directly to certain third parties (e.g., lenders, investment bankers, attorneys, etc.) for administrative convenience, but that such payments shall be deemed to have been made first to Seller and then subsequently distributed or paid by Seller to such recipients.

3.05 Earn-Out Payment.

(a) Promptly following completion of the Parent's 2027 year-end audit, but in any event by the earlier of (i) the fifteenth (15th) calendar day after Parent files its Form 10-K Annual Report for the fiscal year 2027 with the Securities and Exchange Commission and (ii) June 30, 2028 (such date the "Earn-Out Statement Deadline"), Acquiror shall, or shall cause the Company to, prepare and deliver to Seller a written statement (the "Earn-Out Statement") setting forth Acquiror's proposed calculation of Actual Net Revenue, together with supporting documentation reasonably necessary for Seller's review of such Earn-Out Statement. If for any reason Acquiror fails to deliver to Seller the Earn-Out Statement prior to the expiration of the Earn-Out Statement Deadline, then Actual Net Revenue shall be finally and conclusively deemed to equal the Maximum Net Revenue Target.

(b) Calculation of Actual Net Revenue. For purposes of this Agreement and the calculation of Actual Net Revenue under this Section 3.05, "Actual Net Revenue" means (i) the Net Revenue achieved in respect of the Base Business for the calendar year ending December 31, 2027 (the "Earn-Out Period") *plus* (ii) an amount equal to the Net Revenue attributable to any Product during the Earn-Out Period that is discontinued by any Company Entity, Acquiror or Affiliate thereof during the Earn-Out Period and for which Net Revenue was achieved during the twelve (12)-month period immediately preceding such discontinuations.

(c) During the Review Period, Acquiror shall provide Seller and its representatives with full access, during normal business hours upon reasonable advance notice and in such a manner as to not interfere with the normal conduct of each Company Entity's operations, to the Company's accounting and other personnel and to the books and records of the Company to enable Seller to make its own calculation of Actual Net Revenue. If Seller disagrees with Acquiror's calculation of Actual Net Revenue in the Earn-Out Statement, then Seller shall prepare and deliver to Acquiror a written statement (the "Dispute Statement") within the Review Period, which Dispute Statement shall set forth Seller's proposed calculation of Actual Net Revenue, together with supporting documentation reasonably necessary for Acquiror's review of such Dispute Statement. If Seller does not deliver a Dispute Statement to Acquiror prior to the expiration of the Review Period, then the Actual Net Revenue as set forth on the Earn-Out Statement shall be deemed final for purposes of Section 3.05(e).

(d) Upon delivery of the Dispute Statement, Acquiror and Seller shall promptly endeavor in good faith to resolve their dispute; provided, however, if such dispute remains unresolved after thirty (30) days following delivery of the Dispute Statement, then such dispute shall be submitted for final and binding resolution to the Accounting Expert. Acquiror and Seller shall execute the Accounting Expert's standard engagement letter as promptly as practicable. Acquiror and Seller shall be permitted to submit their respective calculations of Actual Net Revenue (as set forth in the Earn-Out Statement and Dispute Statement) along with supporting documentation to the Accounting Expert (which submission shall also be concurrently provided to the other party) within five (5) Business Days following the engagement of the Accounting Expert. Within five (5) Business Days following receipt of the other party's submission, each party may submit to the Accounting Expert (with concurrent copy to the other party) a responsive statement. The Accounting Expert shall be provided with full access, during normal business hours upon reasonable advance notice and in such a manner as to not interfere with the normal conduct of each Company Entity's operations, to the Company's accounting and other personnel and to the books and records of the Company to enable the Accounting Expert to make its own calculation of Actual Net Revenue. No discovery shall be permitted, and no arbitration hearing will be held. No party shall have any ex-parte communication with the Accounting Expert relating to its services under or in connection with this Agreement or the Transactions. The Accounting Expert shall act as an expert and not as an arbitrator to determine any dispute contemplated by this Section 3.05(d). The Accounting Expert shall consider the submissions of the parties and shall make its own independent determination of Actual Net Revenue in accordance with the terms of this Agreement, and shall not be limited to the calculations or amounts proposed by either party. The Accounting Expert shall resolve the dispute by delivering to Acquiror and Seller, as promptly as practicable and in any event within thirty (30) days after its engagement, a written report setting forth its calculation of Actual Net Revenue as determined in accordance with the terms of this Agreement. The determination of the Accounting Expert shall be final, binding and non-appealable absent fraud or malfeasance. All fees and expenses of the Accounting Expert incurred in connection with any dispute submitted pursuant to this Section 3.05(d) shall be borne entirely by the party whose proposed determination of Actual Net Revenue is furthest from the Accounting Expert's final determination. In the event that each party's proposed determination is equidistant from the Accounting Expert's final determination, then such fees and expenses shall be borne by Acquiror and Seller equally.

(e) Subject to the terms and conditions of this Section 3.05, if Actual Net Revenue as finally determined is greater than the Minimum Net Revenue Target, then Seller shall be entitled to an earn-out payment (the "Earn-Out Payment"), the amount of which shall be determined as follows:

(i) If Actual Net Revenue is equal to or greater than the Maximum Net Revenue Target, then the Earn-Out Payment shall be an amount equal to the Maximum Earn-Out Amount.

(ii) If Actual Net Revenue is greater than the Minimum Net Revenue Target but less than the Maximum Net Revenue Target, then the Earn-Out Payment shall be an amount equal to the Maximum Earn-Out Amount *multiplied by* a fraction, the numerator of which is (A) the difference of Actual Net Revenue *less* the Minimum Net Revenue Target, and the denominator of which is (B) the difference of the Maximum Net Revenue Target *less* the Minimum Net Revenue Target.

For the avoidance of doubt, if Actual Net Revenue is equal to or less than the Minimum Net Revenue Target, then Seller shall not be entitled to an Earn-Out Payment.

(f) In the event that Seller is entitled to an Earn-Out Payment pursuant to Section 3.05(e), Acquiror shall pay, or cause to be paid, to such account(s) as specified by Seller in writing, the Earn-Out Payment by wire transfer of immediately available funds by the later of (i) May 31, 2028 and (ii) the fifth (5th) Business Day following the final determination of Actual Net Revenue in accordance with this Section 3.05.

(g) Operating and Accounting Procedures of the Company.

(i) Generally. Subject to the terms and conditions of this Agreement, the Ancillary Agreements and the implied covenant of good faith and fair dealing, until such time as the Earn-Out Payment is made to Seller or finally determined to be inapplicable:

(A) Acquiror shall, and shall cause the Company to, operate the Business consistent with past practice and in good faith, including by maintaining sufficient resources, personnel and support consistent with past practice;

(B) in no event shall Acquiror or any Affiliate thereof (and Acquiror shall cause the Company not to) take any action with the intent or purpose of (x) circumventing, avoiding or reducing the obligation to make any Earn-Out Payment, or (y) shifting, deferring, accelerating, reclassifying or re-characterizing revenue, income, expenses or deductions out of or into the Earn-Out Period or out of or into the calculation of Gross Revenue, Net Revenue or Actual Net Revenue in a manner inconsistent with the intent expressed in such definitions, the Company's historical practices or Section 3.05(g)(ii); and

(C) Acquiror shall ensure the Company maintains books and records to enable the accurate calculation of Actual Net Revenue.

(ii) Accounting Standards. All matters relating to the calculation of Actual Net Revenue shall be calculated in accordance with GAAP as in effect on the Closing Date, applied on a basis consistent with the accounting principles, practices, methodologies, and policies used by the Company in preparing its financial statements for the most recent fiscal year ended immediately prior to the Closing Date.

(iii) Internal Controls. For the duration of the Earn-Out Period, the Company shall maintain a system of internal accounting controls that provide at least the same level of assurance of the items described in clauses (a) and (b) of Section 4.22 as existed as of immediately prior to the Closing.

(h) Failure to Pay Earn-Out Payment. In the event an Earn-Out Payment becomes payable to Seller pursuant to Section 3.05(e) but is not paid or caused to be paid in full by Acquiror when due pursuant to Section 3.05(f) (such unpaid amount, the "Unpaid Amount"):

(i) the Unpaid Amount shall bear interest from the date such Earn-Out Payment was due through and including the date of actual payment at a rate equal to the eight percent (8%) per annum (or, if less, the maximum rate permitted by applicable Law), computed on the basis of a 365-day year and the actual number of days elapsed;

(ii) Acquiror shall reimburse Seller for all reasonable and documented out-of-pocket costs and expenses (including attorneys' fees) incurred by Seller in connection with the collection of the Unpaid Amount and accrued interest thereon;

(iii) Parent unconditionally and irrevocably guarantees the payment of the Unpaid Amount and all accrued interest thereon. This guaranty is a guaranty of payment and not of collection. Seller may enforce this guaranty directly against Parent without first pursuing any remedy against Acquiror, the Company or any other Person. Parent's obligations under this Section 3.05(h)(iii) shall not be released, discharged or otherwise affected by any reorganization, merger, consolidation, dissolution or other change in the corporate structure of Acquiror, the Company or Parent;

(iv) Seller shall be entitled to seek specific performance and injunctive relief to enforce Acquiror's obligation to pay the Unpaid Amount without the necessity of proving actual damages, posting any bond or other security, or establishing the inadequacy of monetary damages, and such right shall be in addition to (and not in lieu of) any other rights or remedies available to Seller at law or in equity; and

(v) nothing in this Section 3.05(h) shall limit, restrict or otherwise affect any right or remedy that Seller may have under this Agreement, at law or in equity with respect to any breach by Acquiror of its obligations under this Section 3.05.

(i) Change of Control. In the event that the Company enters into a Change of Control prior to the expiration of the Earn-Out Period, (A) Acquiror (or its applicable Affiliate) shall promptly notify Seller of such Change of Control, and (B) the Earn-Out Payment shall be deemed earned in full at the Maximum Earn-Out Amount and shall be immediately due and payable to Seller simultaneously with the closing of such Change of Control.

3.06 Withholding. Each of Acquiror, the Company, and anyone acting on their behalf shall be entitled to deduct and withhold from the payment of the Purchase Price or any other payments payable pursuant to this Agreement to any Person such amounts as are required to be deducted and withheld with respect to and the making of any such payment under any applicable Law. To the extent that amounts are so withheld and paid to the proper Governmental Authority pursuant to any applicable tax Law, such withheld amounts shall be treated for all purposes of this Agreement as having been paid to such Person in respect of which such deduction and withholding was made. Prior to withholding any Taxes pursuant to this Section 3.06 on any payment made after the Closing Date, Acquiror shall notify the payee of the related payment of its intent to withhold no later than three (3) days prior to making the related payment and shall cooperate with the payee in good faith in order to reduce or eliminate the amount required to be withheld in accordance with applicable Law.

ARTICLE IV
REPRESENTATIONS AND WARRANTIES OF THE COMPANY

Except as set forth in the Schedules to this Agreement (each of which qualifies (a) the correspondingly numbered representation, warranty or covenant if specified therein and (b) such other representations, warranties or covenants where its relevance as an exception to (or disclosure for purposes of) such other representation, warranty or covenant is reasonably apparent on the face of such disclosure), the Company represents and warrants to Acquiror as of the date hereof as follows:

4.01 Organization and Qualifications; Subsidiaries. The Company is duly organized, validly existing and in good standing under the Laws of the State of Delaware and has all requisite limited liability company power and authority to own, operate or lease the properties and assets now owned, operated or leased by it and to carry on its business as currently conducted. Each other Company Entity is duly organized, validly existing and in good standing under the Laws of its jurisdiction of organization and has all requisite corporate or limited liability company, as applicable, power and authority to own, operate or lease the properties and assets now owned, operated or leased by it and to carry on its business as currently conducted. Schedule 4.01 sets forth a true, correct and complete list of each Company Entity and its jurisdiction of organization. Each Company Entity is duly licensed or qualified to do business and is in good standing in each jurisdiction in which the properties owned or leased by it or the operation of its business as currently conducted makes such licensing or qualification necessary, except such licenses or qualifications the absence of which would not reasonably be expected to have a Material Adverse Effect. The Company owns all of the outstanding equity interests of its Subsidiaries, free and clear of all Liens, and there are no derivative securities or commitments to issue derivative securities in respect of such Subsidiaries. No Company Entity owns or has any ownership interest in any other Person other than the Company's ownership of such Subsidiaries. True, correct and complete copies of, as applicable, the certificate of incorporation, certificate of formation, bylaws, limited liability company agreement and any other similar governing documents, each as amended and in effect as of immediately prior to the Closing (together, "Organizational Documents"), of each Company Entity have been made available to Acquiror.

4.02 Due Authorization.

(a) The Company has all requisite limited liability company power and authority to enter into and perform its obligations under this Agreement and the Ancillary Agreements to which it is a party and to consummate the transactions contemplated hereby and thereby.

(b) The execution, delivery and performance by the Company of this Agreement and each Ancillary Agreement to which it is a party and the consummation by the Company of the transactions contemplated hereby and thereby have been duly authorized by all requisite limited liability company action on the part of the Company and no other limited liability company proceedings on the part of the Company are necessary to authorize the execution, delivery and performance of this Agreement, any Ancillary Agreements to which it is a party or to consummate the other transactions contemplated hereby and thereby. The Seller Party Approvals are the only vote or consent of the holders of any class or series of the Company's or Seller's capital equity required to approve and adopt this Agreement and the Ancillary Agreements, and approve and consummate the transactions contemplated hereby and thereby. This Agreement has been duly and validly executed and delivered by the Company and, assuming due authorization, execution and delivery by each other party hereto, constitutes, or will constitute, a valid and binding obligation of the Company enforceable against the Company in accordance with its terms, except as the enforceability hereof may be limited by any applicable bankruptcy, insolvency, reorganization, moratorium or other similar Laws affecting the enforcement of creditor's rights generally and as limited by the availability of specific performance and other equitable remedies or applicable equitable principles (whether considered in a proceeding at Law or in equity). When each Ancillary Agreement to which the Company is or will be a party has been duly executed and delivered by the Company (assuming due authorization, execution and delivery by each other party thereto), such Ancillary Agreement will constitute a valid and binding obligation of the Company enforceable against it in accordance with its terms, except as the enforceability thereof may be limited by any applicable bankruptcy, insolvency, reorganization, moratorium or other similar Laws affecting the enforcement of creditor's rights generally and as limited by the availability of specific performance and other equitable remedies or applicable equitable principles (regardless of whether considered in a proceeding at Law or in equity).

4.03 No Conflict; Consents. The execution, delivery and performance by the Company of this Agreement and the Ancillary Agreements to which it is a party, and the consummation of the transactions contemplated hereby and thereby, do not and will not, with or without the giving of notice or the lapse of time, or both: (i) conflict with or result in a violation or breach of, or default under, any Organizational Documents of the Company or any of its Subsidiaries; (ii) conflict with or result in a violation or breach of any provision of any applicable Law, Permit or Governmental Order applicable to the Company or any of its Subsidiaries; (iii) except as set forth on Schedule 4.03, violate, conflict with, result in a breach of any provision of or the loss of any benefit under, constitute a default (or an event which, with notice or lapse of time, or both, would constitute a default) under, or result in the termination or acceleration of, or a right of termination, cancellation, modification, acceleration or amendment under, accelerate the performance required by, or result in the acceleration or trigger of any payment, posting of collateral (or right to require the posting of collateral), time of payment, vesting or increase in the amount of any compensation or benefit payable pursuant to, any of the terms, conditions or provisions of any Contract required to be disclosed on Schedule 4.12(a), whether or not set forth on Schedule 4.12(a), or any Permit or Leased Real Property document to which any of the Company Entities is a party or by which any of them or any of their respective assets or properties may be bound or affected; or (iv) result in the creation or imposition of any Lien other than Permitted Liens on any properties or assets of any Company Entity, except, with respect to the foregoing clauses (ii), (iii) and (iv), as would not, individually or in the aggregate, reasonably be expected to be material to the Company Entities, taken as a whole.

4.04 Governmental Authorities; Consents. No consent, approval or authorization of, or designation, declaration or filing with, any Governmental Authority or notice, approval, consent, waiver or authorization from any Governmental Authority is required on the part of any Company Entity with respect to the Company's execution, delivery or performance of this Agreement or the consummation of the Transactions, except for (a) any consents, approvals, authorizations, designations, declarations, waivers or filings, the absence of which would not, individually or in the aggregate, reasonably be expected to be material to the Company Entities, taken as a whole, and (b) as otherwise set forth on Schedule 4.04.

4.05 Capitalization.

(a) The authorized limited liability company interests of the Company consist of 1,000 limited liability company units, all of which are issued and outstanding and constitute the Interests. All of the issued and outstanding Units (i) have been duly authorized and validly issued and are fully paid and nonassessable and are owned one hundred percent (100%) by Seller, free and clear of any Liens, (ii) were issued in compliance in all material respects with applicable Securities Laws, and (iii) were not issued in breach or violation of any right of first refusal, right of first offer, preemptive or similar rights created by the Company, the Company's Organizational Documents or any Contract to which the Company or any of its Subsidiaries is a party. There are no other Company common units, preferred units, options, warrants, convertible notes or other equity interests of the Company authorized, reserved, issued or outstanding.

(b) There are (i) no subscriptions, calls, options, warrants, preemptive rights, conversion rights or other rights or other securities convertible into or exchangeable or exercisable for Units or the equity interests of the Company, or any other Contracts to which the Company is a party or by which the Company is bound obligating the Company to issue or sell any shares of capital stock of, other equity interests in or debt securities of, the Company and (ii) no equity equivalents, stock appreciation rights, phantom stock ownership interests, restricted share units, contingent value rights or similar rights in the Company. There are no outstanding contractual obligations of the Company to repurchase, redeem or otherwise acquire any securities or equity interests of the Company. There are no outstanding bonds, debentures, notes or other indebtedness of the Company having the right to vote (or convertible into, or exchangeable for, securities having the right to vote) on any matter for which any holder of Units may vote. The Company is not party to any shareholders agreement, proxies, voting trust, voting agreement, registration rights agreement or other agreements relating to its equity interests.

(c) The Company is the direct or indirect owner of, and has good and marketable direct or indirect title to, all the issued and outstanding shares of capital stock or equity interests (as applicable) of the Subsidiaries set forth on Schedule 4.05(c) (the "Company Subsidiaries"), free and clear of any Liens, other than transfer restrictions under applicable Securities Laws and their respective Organizational Documents. All such outstanding equity interests (i) have been duly authorized and validly issued and are fully paid and nonassessable, (ii) were issued in compliance in all material respects with applicable Law and (iii) were not issued in breach or violation of any right of first refusal, right of first offer, preemptive or similar rights, of such Company Subsidiary's Organizational Documents or any Contract to which the Company or any of its Subsidiaries is a party. There are (A) no subscriptions, options, warrants, calls, preemptive rights, conversion rights or other rights or other securities convertible into or exchangeable or exercisable for the equity or voting interests of the Company Subsidiaries (including any convertible preferred equity certificates), or any other Contracts to which any of the Company Subsidiaries is a party or by which any of the Company Subsidiaries is bound obligating such Company Subsidiaries to issue or sell any shares of capital stock of, other equity interests in or debt securities of, such Company Subsidiaries, and (B) no equity equivalents, stock appreciation rights, phantom stock ownership interests, restricted share units, contingent value rights or similar rights in the Company Subsidiaries. There are no outstanding contractual obligations of the Company Subsidiaries to repurchase, redeem or otherwise acquire any securities or equity interests of the Company Subsidiaries. There are no outstanding bonds, debentures, notes or other indebtedness of the Company Subsidiaries having the right to vote (or convertible into, or exchangeable for, securities having the right to vote) on any matter for which the Company Subsidiaries' stockholders (or equityholders) may vote. The Company Subsidiaries are not party to any stockholders agreement, proxies, voting trust, voting agreement, registration rights agreement or other similar agreements with respect to the equity interests of the Company or the Company Subsidiaries. Other than the Company Subsidiaries, the Company does not directly or indirectly own any shares of capital stock or equity interests in any other Person.

(d) All distributions, dividends, repurchases and redemptions in respect of the capital stock (or other equity interests) of the Company were undertaken in compliance with the Company's Organizational Documents then in effect, any agreement to which the Company then was a party and in compliance in all material respects with applicable Law.

4.06 Financial Statements.

(a) Schedule 4.06(a) sets forth the Company's (i) audited financial statements consisting of the consolidated balance sheet of the Company Entities as of December 31, 2023 and the related consolidated statements of income for the twelve (12) month periods then ended, and the unaudited financial statements consisting of the consolidated balance sheet of the Company Entities as of December 31, 2024, and December 31, 2025 and the related consolidated statements of income for the twelve (12) month periods then ended (collectively, the "Year-End Financial Statements") and (ii) the unaudited financial statements consisting of the consolidated balance sheet of the Company Entities as of May 31, 2026 (the "Interim Balance Sheet Date") and the related consolidated statements of income for the five (5) month period then ended (the "Interim Financial Statements" and together with the Year-End Financial Statements, the "Financial Statements").

(b) The Financial Statements have been prepared in accordance with GAAP applied on a consistent basis throughout the periods involved and, in the case of the Interim Financial Statements, subject to normal year-end adjustments and reclassifications and the absence of notes and other presentation items. The Financial Statements are based on the books and records of the Company Entities, and fairly present, in all material respects, the financial condition of the Company Entities as of the respective dates they were prepared and the results of the operations of the Company Entities for the periods indicated. The Company Entities maintain a standard system of accounting established and administered in accordance with GAAP.

(c) (i) All representations and certifications made by the Company to lenders or any Governmental Authority in connection with the PPP Loan were accurate, true and correct in all material respects when made and (ii) the Company used the proceeds of the PPP Loan solely for the allowable uses set forth in the PPP. The Company has complied with all requirements of the PPP, all terms of its PPP Loan, and all applicable legal requirements, including the CARES Act, PPP Flexibility Act, and the regulations and guidance issued by the Small Business Administration and any other Governmental Authority. Prior to the date of this Agreement, the PPP Loan was forgiven in full.

(d) As of immediately prior to the Closing, Company Entities do not have any Indebtedness except as set forth on the Closing Date Indebtedness Statement. After taking into account the payments contemplated by Section 3.04, as of the Closing, the Company has no Indebtedness.

(e) As of immediately prior to the Closing, the Company Entities have not incurred any Company Transaction Expenses or Change of Control Payments that have not already been paid and fully satisfied, except as set forth on the Closing Date Expense Statement. After taking into account the payments contemplated by Section 3.04, as of the Closing, the Company has no Company Transaction Expenses and no Change of Control Payments.

4.07 Undisclosed Liabilities. Except as set forth on Schedule 4.07, the Company Entities have no Liabilities that would be required to be set forth or reserved for on a balance sheet of the Company and its Subsidiaries (and the notes thereto) prepared in accordance with GAAP consistently applied and in accordance with past practice, except for Liabilities (a) specifically reflected or reserved for on the Financial Statements or disclosed in the notes thereto, (b) that have arisen since the Interim Balance Sheet Date in the ordinary course of the operation of business of the Company and its Subsidiaries (none of which relate to or arise from breach of Contract, breach of warranty, tort, infringement or misappropriation), or (c) arising under this Agreement and/or the performance by the Company of its obligations hereunder.

4.08 Litigation and Actions. (a) There are no pending or, to the Knowledge of the Company, threatened Actions against the Company or its Subsidiaries, or otherwise affecting the Company or its Subsidiaries or their assets (or against any of the officers or directors of any Company Entity for which they have made an indemnity claim), and (b) neither the Company nor its Subsidiaries or any property, asset or business of the Company or its Subsidiaries is subject to any Governmental Order, or any continuing investigation by any Governmental Authority.

4.09 Compliance with Laws.

(a) Each Company Entity is now, and for the past four (4) years has been, in compliance in all material respects with all Laws (including any regulatory or licensing requirements in respect of insurance) applicable to it and its Business.

(b) (i) The Company, its Subsidiaries, and, to the Knowledge of the Company, their respective officers, directors, employees, agents, and representatives, in each case, acting on behalf of the Company or its Subsidiaries, are currently, and since January 1, 2021 have been, in compliance with applicable Anti-Corruption Laws and U.S. Trade Laws, (ii) neither the Company nor its Subsidiaries is engaging in any activities that would reasonably be expected to result in a violation of U.S. Trade Laws, (iii) neither the Company nor its Subsidiaries has conducted or initiated any internal investigation or made a voluntary, directed, or involuntary disclosure to any Governmental Authority regarding any alleged act or omission arising under or relating to any noncompliance with any Anti-Corruption Law or U.S. Trade Laws and (iv) neither the Company nor any of its Subsidiaries has received any written notice or citation from a Governmental Authority for any actual or potential noncompliance with any applicable Anti-Corruption Law or U.S. Trade Laws.

(c) Each Company Entity is not, and for the past five (5) years has not been, the subject of any voluntary or involuntary bankruptcy proceeding.

4.10 Intellectual Property.

(a) Schedule 4.10(a) lists all the Company IP Registrations as of the date hereof, indicating as to each item other than domain names as applicable: (a) the owner; (b) the jurisdictions in which such item is issued or registered or in which any application for issuance or registration has been filed, (c) the respective issuance, registration, or application number of the item, and (d) the dates of application, issuance or registration of the item. All filings and fees required to maintain the Company IP Registrations that have come due prior to the Closing Date, as the case may be, have been timely filed with or paid to, respectively, the relevant Governmental Authorities or authorized registrars, as applicable, and all Company IP Registrations are otherwise in good standing.

(b) Schedule 4.10(b) lists all Company IP Agreements in effect as of the date hereof that are (i) licenses of Owned Intellectual Property granted to a third party other than nonexclusive licenses in the ordinary course of business, and (ii) licenses of Intellectual Property granted by a third party, other than nonexclusive, commercially available Software licenses. Each Company IP Agreement set forth on Schedule 4.10(b) is, assuming the validity and enforceability of such agreement against the counterparties and except as such enforceability may be limited by applicable insolvency, bankruptcy, reorganization, moratorium or other similar Laws affecting creditors' rights generally and applicable equitable principles (whether considered in a proceeding at Law or in equity), valid, binding and enforceable on the applicable Company Entity and, each other party thereto in accordance with its terms and is in full force and effect. Neither a Company Entity nor, to the Knowledge of the Company, any other party thereto is in material breach of or default under (or is alleged to be in material breach of or default under), or has provided or received any written notice of breach or default of or any intention to terminate, any such Company IP Agreement.

(c) Except as set forth inSchedule 4.10(c), a Company Entity owns or otherwise has rights in and to the Owned Intellectual Property, and has the right to use all other Intellectual Property used in the conduct of the Business, in each case, free and clear of Liens other than Permitted Liens. Without limiting the generality of the foregoing, the Company Entities have entered into written agreements with every current and former employee who has created Intellectual Property for the Company Entities, and with every current and former independent contractor who has created Intellectual Property for the Company Entities, whereby such employees and independent contractors assign to the Company Entities any ownership interest and right they may have in such Owned Intellectual Property.

(d) Each Company Entity's rights in the Company Intellectual Property are subsisting and the Company IP Registrations, other than pending applications, are valid and enforceable. The Company Entities have taken commercially reasonable steps, taking into account the size and complexity of the Company, to maintain the Owned Intellectual Property and to protect and preserve the confidentiality of all trade secrets included in the Owned Intellectual Property.

(e) In the last five (5) years, (i) the conduct of the Business has not infringed, misappropriated, diluted or otherwise violated, and does not infringe, dilute, misappropriate or otherwise violate the Intellectual Property of any Person, and (ii) no Person has infringed, misappropriated, diluted or otherwise violated, or is currently infringing, misappropriating, diluting or otherwise violating, any Owned Intellectual Property.

(f) There are no Actions (including any oppositions, interferences or re-examinations) settled within the last five (5) years, pending or threatened in writing: (i) alleging any infringement, misappropriation, dilution or violation of the Intellectual Property of any Person by a Company Entity; (ii) challenging the validity, enforceability, registrability or ownership of any Owned Intellectual Property or the Company Entities' rights with respect to any Owned Intellectual Property, other than ordinary-course prosecution of Company IP Registrations; or (iii) by the Company Entities alleging any infringement, misappropriation, dilution or violation by any Person of the Owned Intellectual Property. The Company Entities are not subject to any Governmental Order that does or would restrict or impair the use of any Owned Intellectual Property.

4.11 Software and IT. The Company Entities' Systems are in good working condition for the current needs of the Business, including as to capacity, and ability to process current peak volumes in a timely manner, and are free from material viruses, worms, time bombs, key locks, malware and other corruptants. In the last five (5) years, there has been no unauthorized access, use, intrusion or breach of security, or material failure, breakdown, performance reduction or other adverse event affecting any of the Company Entities' Systems, that has caused any: (i) material disruption of or interruption in the conduct of the Business; (ii) substantial loss, destruction, damage or harm of any Company Entity or any of their Business or operations, personnel, property or other assets; or (iii) material Liability of any kind to the Company Entities or their Business that is continuing or legal obligation to notify any Person. Commercially reasonable actions have been taken in respect of each Company Entity, taking into account the size and complexity of each such Company Entity, to protect the integrity, security and continuous operation of the Company Entities' Systems and the confidential data and other confidential information stored thereon or processed thereby.

(c) The Company Entities maintain reasonable back-up and data recovery, disaster recovery and business continuity plans and procedures, and the Company Entities act in material compliance therewith.

4.12 Material Contracts; No Defaults.

(a) Schedule 4.12(a) sets forth a true, complete and accurate list of all of the following Contracts (including a description of the terms of any oral Contracts) to which any Company Entity is a party or by which it is, or any of its properties, rights or assets are, bound as of the date hereof (such Contracts, together with all Contracts concerning the Leased Real Property required to be disclosed in Schedule 4.18(b), and all Contracts falling into the following categories whether or not disclosed onSchedule 4.12(a), being "Material Contracts"):

(i) Contracts for the sale or purchase of any products or services of any Company Entity with any Material Customer or any Material Supplier;

(ii) Contracts for the grant to any Person of any most-favored nations, priority, or exclusivity rights or any right of first refusal, right of first offer or substantially similar right;

(iii) Contracts for joint ventures, partnerships or sharing of profits, and Contracts for joint or shared marketing activities or expenses;

(iv) Contracts containing covenants obligating a Company Entity not to compete or engage in any line of business or with any Person in any geographical area;

(v) Contracts containing covenants obligating a Company Entity not to solicit or hire any Person with respect to employment;

(vi) Contracts relating to the acquisition or disposition by a Company Entity (by merger, purchase of stock or assets or otherwise) of any line of business or a material amount of stock or assets, in each case if entered into in the past five (5) years and under which any Liabilities remain outstanding;

(vii) Contracts evidencing Indebtedness (whether incurred, assumed, guaranteed or secured by any asset), except any such agreement solely between or among Company Entities;

(viii) any material Contract under which any Company Entity is required to provide a guarantee of obligations of any Person (other than another Company Entity) or the assumption of any Tax, environmental or other Liability of any Person;

(ix) any Contract under which any Company Entity has advanced or loaned any amount to any of its managers, directors or officers and such advance or loan remains outstanding (including the interest rate relating to such advance or loan, if any);

(x) any Contract between any Company Entity, on the one hand, and any of their respective directors, employees or officers, on the other hand, providing for annual payments in excess of $200,000 in the aggregate;

(xi) any Contract providing for severance, equity or equity-based compensation, retention or change in control payments or benefits;

(xii) any Contract providing for severance or separation benefits to which any Company Entity has any unperformed obligations or owes any unpaid amounts;

(xiii) Contracts with independent contractors or consultants that require annual cash payments in excess of $200,000 to which a Company Entity is a party and which are not cancellable without penalty (including any termination payment) or without more than thirty (30) days' notice;

(xiv) collective bargaining or similar labor agreements;

(xv) any Contract with a Governmental Authority;

(xvi) any Contract under which any Company Entity is obligated to make any capital commitment or expenditure in excess of $25,000 individually or $50,000 in the aggregate, during any twelve (12)-month period;

(xvii) any Contract that provides for any payments, rights or obligations that are conditioned, in whole or in part, on a change of control with respect to any Company Entity that would be triggered by the Transactions;

(xviii) any Contract that limits or purports to limit the payment of dividends or distributions in respect of the capital stock or membership interests of any Company Entity, the pledging of the capital stock or membership interests of any Company Entity or the incurrence of indebtedness for borrowed money or guarantees by any Company Entity or the ability of any Company Entity in any material respect to pledge, sell, transfer or otherwise dispose of any material amount of assets or business; and

(xix) any Company Affiliate Agreement.

(b) Each Material Contract, including the Marie Callender's Agreement, is valid, binding and enforceable on the applicable Company Entity and to the Knowledge of the Company, each other party thereto in accordance with its terms except as such enforceability may be limited by applicable insolvency, bankruptcy, reorganization, moratorium or other similar Laws affecting creditors' rights generally and applicable equitable principles (whether considered in a proceeding at Law or in equity) and is in full force and effect. None of the Company Entities, or to the Knowledge of the Company, any other party thereto is in breach of or default under (or is alleged to be in breach of or default under) in any material respect, or has provided or received any notice of any intention to terminate, any Material Contract. There are no material disputes pending or, to the Knowledge of the Company, threatened under any Material Contract. No event or circumstance has occurred that, with notice or lapse of time or both, would constitute an event of default under any Material Contract or result in a termination thereof or would cause or permit the acceleration or other changes of any right or obligation or the loss of any benefit thereunder. Consummation of the transactions contemplated by this Agreement will not trigger any provision in a Material Contract that would result in a change in such Material Contract, including the requirement for a transfer fee or new deposit, or termination thereof. Complete and correct copies of each Material Contract (including any modifications, amendments and supplements thereto and waivers thereunder, in each case, that are in effect) have been made available to Acquiror. Without limiting the foregoing, with respect to the Marie Callender's Agreement, there are no modifications, amendments and supplements thereto other than those identified in the definition of the Marie Callender's Agreement.

4.13 Company Benefit Plans.

(a) Schedule 4.13(a) sets forth a list of each material Benefit Plan. None of the Benefit Plans are maintained, contributed to or required to be contributed to outside the United States or otherwise covers any employee or other individual service provider of any Company Entity who resides or works outside of the United States on behalf of any Company Entity.

(b) With respect to the material Benefit Plans, the Company has made available to Acquiror, true and complete copies of (as applicable) (i) each Benefit Plan document, including all amendments thereto (and in the case of an unwritten Benefit Plan, a written description thereof), (ii) the current summary plan description and each summary of material modifications thereto, (iii) the most recent IRS determination, advisory or opinion letter, (iv) for the three most recently completed plan years, the annual reports (Form 5500, Forms 1094-C and 1095-C, etc.) and all schedules thereto, (v) the most recent actuarial valuation report, (vi) all related trust agreements, insurance contracts or other funding vehicles, (vii) for the three most recently completed plan years, all coverage and non-discrimination testing results, and (viii) all non-routine communications between a Company Entity on the one hand, and any Governmental Authority on the other hand.

(c) Each Company Entity is in compliance in all material respects with the provisions of ERISA, the Code and other Laws applicable to the Benefit Plans. Each Benefit Plan has been maintained, operated and administered in compliance in all material respects with its terms and all applicable Laws, including ERISA and the Code. Each Benefit Plan that is intended to meet the qualification requirements of Section 401(a) of the Code, and each trust that is related to a Benefit Plan and intended to be tax exempt under Section 501(a) of the Code, has been determined by the IRS to be qualified under Section 401(a) of the Code or exempt from taxation under Section 501(a) of the Code, as applicable, has received or is otherwise entitled to rely on a current favorable determination, advisory or opinion letter from the IRS and nothing has occurred that would adversely affect any such qualification or tax exemption of any such Benefit Plan or related trust. All contributions, distributions, reimbursements and premiums or other payments required to be made with respect to each Benefit Plan prior to the Closing have been timely made or, if not yet due, properly accrued. With respect to each Benefit Plan, all reports, returns, notices and other documentation required to have been filed with or furnished to the IRS, the Department of Labor, or any other Governmental Authority or to the participants or beneficiaries of such Benefit Plan have been filed or furnished on a timely basis.

(d) No Company Entity has incurred or is reasonably likely to be subject to any Tax penalty or other liability under the Patient Protection and Affordable Care Act and the Health Care and Education Reconciliation Act, including under Section 4980H of the Code or with respect to the reporting requirements under Section 6055 or Section 6056 of the Code. With respect to each Benefit Plan, Seller, the Company Entities and each Benefit Plan are and have been administered in compliance in all respects with the Patient Protection and Affordable Care Act, the Health Insurance Portability and Accountability Act of 1996 and the Consolidated Omnibus Budget Reconciliation Act of 1985, and each Benefit Plan has been amended (to the extent necessary) in accordance with the requirements of the Patient Protection and Affordable Care Act.

(e) No Company Entity nor, to the Knowledge of the Company, any fiduciary, trustee or administrator of any Benefit Plan, has engaged in any non-exempt "prohibited transaction" (as defined in Section 4975 of the Code or Section 406 of ERISA) or breach of fiduciary duty with respect to any Benefit Plan.

(f) None of the Company Entities nor any of their respective ERISA Affiliates has ever maintained, sponsored, participated in, or contributed to (or been obligated to maintain, sponsor, participate in, or contribute to) or incurred any Liability in respect of, and no Benefit Plan is, (i) a plan which is subject to Section 412 of the Code or Section 302 or Title IV of ERISA, including any "defined benefit plan" as defined in Section 3(35) of ERISA, (ii) a "funded welfare plan" within the meaning of Section 419 of the Code, (iii) a plan providing self-insured welfare benefits (including any such plan pursuant to which a stop loss policy or contract applies), (iv) a "multiple employer plan" as described in Section 413(c) of the Code, or (v) a "multiple employer welfare arrangement" as defined in Section 3(40) of ERISA. No Company Entity has any current or contingent liability or obligation by reason of at any time being considered a single employer with any other Person under Section 414 of the Code.

(g) No Company Entity or any of its ERISA Affiliates has ever contributed to, been required to contribute to, or incurred any withdrawal liability (whether complete or partial), within the meaning of Section 4201 of ERISA, with respect to any "multiemployer plan" as defined in Section 3(37) of ERISA.

(h) No Company Entity or any of its ERISA Affiliates has ever provided retiree or post-employment welfare benefits, including life insurance or medical benefits, beyond termination of service or retirement, other than coverage mandated by Law and at the sole cost of the applicable retiree or employee (or dependent thereof).

(i) Except as set forth inSchedule 4.13(i), the execution and performance of this Agreement and the consummation of the Transactions will not, either alone or together with any other event(s), (i) result in any payment becoming due to any current or former employee, director, officer, or individual independent contractor of any Company Entity, (ii) increase any amount of compensation or benefits otherwise payable to any such current or former employee, director, officer, or individual independent contractor of any Company Entity, (iii) result in the acceleration of the time of payment, funding or vesting of any benefits, (iv) require any contributions or payments to fund any obligations under any Benefit Plan,(v) require any payment in lieu of notice, or (vi) result in the payment of any "excess parachute payment" as defined in Section 280G of the Code) to any current or former employee, director, officer or individual independent contractor of the Company Entities. No such current or former employee, director, officer or individual independent contractor of the Company has any "gross up" or indemnification agreements or other assurance of reimbursement for any Taxes under Section 409A or Section 4999 of the Code (or any corresponding provisions of state, local or foreign Tax law).

(j) There are no pending or, to the Knowledge of the Company, threatened audits or investigations by any Governmental Authority involving any Benefit Plan and no pending, or to the Knowledge of the Company, threatened claims (except for individual claims for benefits payable in the normal operation of the Benefit Plans), suits or proceedings involving any Benefit Plan or asserting any rights or claims to benefits under any Benefit Plan, nor, to the Knowledge of the Company, are there any facts which could reasonably be expected to give rise to any Liability in the event of any such audit, investigation, claim, suit or proceeding.

(k) Each Benefit Plan that constitutes a "non-qualified deferred compensation plan" within the meaning of Section 409A of the Code has been operated and administered in compliance with Section 409A of the Code.

(l) Each Company Entity has, for purposes of each Benefit Plan, correctly classified those individuals performing services for such Company Entity as common law employees, leased employees or independent contractors of such Company Entity. No individual who has performed services for any Company Entity has been improperly excluded from participation in any Benefit Plan. No event has occurred, and no condition exists with respect to any Benefit Plan that would reasonably be expected to, either directly or by reason of any Company Entity's affiliation with any of its ERISA Affiliates, subject any Company Entity to any Tax, fine, lien, penalty or other Liability imposed by ERISA, the Code or other applicable Laws.

(m) No Company Entity has any plan or contract, whether legally binding or not, and no Company Entity has announced (orally or in writing) an intention to create, modify, amend or terminate any Benefit Plan (except as required by Law, in connection with an annual renewal or to retain the tax qualified status of any Benefit Plan). Each Benefit Plan can be amended, terminated or otherwise discontinued after the Closing in accordance with its terms, without Liabilities to Acquiror, any Company Entity or any ERISA Affiliate other than ordinary administrative expenses typically incurred in a termination event.

4.14 Labor Matters.

(a) No Company Entity is: (i) a party to or otherwise bound by any collective bargaining agreement; (ii) a party to, or threatened by, any unfair labor practice charge or complaint, grievance or labor arbitration; or (iii) currently negotiating any collective bargaining agreement to which any Company Entity is or would be a party. In the last five (5) years, no Company Entity has experienced any strike, lockout, slowdown or work stoppage, nor, to the Knowledge of the Company, is any such action threatened. There is no pending, nor threatened, union election petition filed with the National Labor Relations Board, or union organizing activity by or for the benefit of the employees of any Company Entity. No Company Entity is required under applicable Laws or contract to provide notice to, or enter into any consultation procedure with, any union or labor organization in connection with the Transactions.

(b) Each Company Entity is, and for the last four (4) years has been, in compliance in all respects with all applicable Laws respecting labor and employment practices, including all Laws respecting labor relations (including the National Labor Relations Act), collective bargaining, discrimination, harassment, sexual harassment, terms and conditions of employment, termination of employment, wages and hours (including without limitation minimum wage, meal and rest breaks, timely payment of wages and compensation, and requirements of applicable wage orders), working time, overtime, paid sick leave/time, vacation/paid time off, hours of work, holiday pay calculation, exempt and non-exempt classification under federal and applicable state laws, child labor, civil rights, pay equity, employee and independent contractor classification under state and applicable state laws, disability rights or benefits, occupational safety and health (including the federal Occupational Safety and Health Act and any applicable similar state or local Laws, including without limitation those concerning COVID-19-related health and safety issues (with respect to Laws concerning COVID-19-related health and safety issues, for the avoidance of doubt, following their enactment)), employee whistle-blowing, retaliation, equal opportunity, work authorization, immigration, workers' compensation, employee leave issues and leaves of absence (including the federal Family and Medical Leave Act and any similar state laws, pregnancy leaves required under applicable laws, federal Emergency Paid Sick Leave Act, the federal Emergency Family and Medical Leave Expansion Act, and any applicable state or local Laws concerning COVID-19-related paid sick or family leave or other benefits), engaging in the interactive process, affirmative action, unemployment insurance, plant closures and layoffs (including the Worker Adjustment and Retraining Notification Act and any comparable state or local Laws or legal requirements relating to plant closings and layoffs (the "WARN Act")), employee and information privacy and security, and background checks (including, but not limited to, the Fair Credit Reporting Act and any similar state and local laws), and continuation coverage. Except as set forth in Schedule 4.14(b), there are no pending or, to the Knowledge of the Company, threatened, claims against any Company Entity on account of any labor or employment matter or action.

(c) No employee, consultant or independent contractor of the Company has provided written notice of their intention to terminate his or her employment relationship or engagement with the Company.

(d) Schedule 4.14(d) accurately sets forth as of the date of this Agreement, by Company Entity, a correct and complete list with respect to each employee of any Company Entity (including any employee who is on a leave of absence, furlough or on layoff status): (i) name; (ii) job title; (iii) employing entity; (iv) date of hire; (v) primary work location (city and state); (vi) status as "exempt" or "nonexempt" under both federal and applicable state law for purposes of payment of overtime; (vii) employment status (i.e., whether full-time, part-time, temporary, etc.); (viii) active/inactive status (and, if on leave, the nature of the leave and the expected return date); (ix) accrued but unused vacation (if applicable); (x) accrued but unused paid sick time (if applicable); (xi) target commission/bonus/other incentive-based compensation for the current year; and (xii) current annual base salary or hourly wage rate; (xiii) union status; (xiv) applicable visa or work authorization; and (xv) employment status (whether such person is party to an employment agreement providing for a notice period for termination or is employed "at will"). During the past four (4) years, every Company Entity has fully and timely paid all wages, salaries, earned bonuses and commissions (if any), premium payments, penalty payments, severance payments (if any), fees, and all other compensation that have come due and payable to its current and/or former employees, consultants, service providers, brokers, and independent contractors under applicable Law, contract or Company policy. The Company Entities do not employ or engage any employee, consultant or independent contractor who cannot be dismissed immediately, whether currently or immediately after the transactions contemplated by this Agreement, without notice or cause and without further Liability to the Company Entity (including but not limited to any pay in lieu of notice requirement).

(e) The Company Entities are and, for the past four (4) years have been in compliance with the requirements of the Immigration Reform Control Act of 1986 and the obligations to complete and maintain Form I-9s under the Immigration Reform and Control Act of 1986 ("IRCA") for the employees hired prior to the Closing Date. Further, at all times prior to the Closing Date, the Company has been in compliance with both the employment verification provisions (including the paperwork and documentation requirements) and the anti-discrimination provisions of IRCA and any applicable state laws.

(f) In the prior five (5) years, no Company Entity has effectuated (i) a "plant closing" (as defined in the WARN Act) or (ii) a "mass layoff" (as defined in the WARN Act); or (iii) any other triggering event as defined under the WARN Act, and no Company Entity has consummated any transaction or engaged in layoffs or employment terminations sufficient in number to trigger application of any state, local or foreign applicable Law similar to the WARN Act.

(g) In the prior four (4) years, no Company Entity has been party to a settlement agreement with a current or former director, officer, employee, independent contractor, or other worker resolving allegations of harassment or discrimination (including sexual harassment) in connection with their working for any Company Entity. There are no, and in the prior four (4) years there have not been any, allegations of sexual harassment by or against any current or former director, officer, supervisory-level employee, or other employee, independent contractor or worker of a Company Entity in connection with their working for any Company Entity.

(h) No current or former employees or independent contractors are entitled to any severance, any pay in lieu of notice of termination, or any other payments in connection with the transaction hereby contemplated. Except as set forth in Schedule 4.14(h) of the Company Disclosure Schedule, for the past four years, (i) all individuals who are performing, and for the four (4) -year period preceding the date of this Agreement have performed, services for any of the Company Entities while classified as independent contractors have been properly so classified for all purposes under both applicable state and federal Laws; (ii) all employees have been correctly classified as exempt or non-exempt under both applicable state and federal Laws; and, (iii) in the past four (4) years, no Company Entity has received written notice from any Person challenging the classification of these individuals as independent contractors or exempt employees.

(i) Each individual who is currently providing services to any of the Company Entities through a third-party service provider, or who provided services to any of the Company Entities through a third-party service provider during the past four (4) years, is not or was not an employee of any Company Entity. None of the Company Entities has a single employer, joint employer, alter ego or similar relationship with any other entity.

(j) No employee or independent contractor of any Company Entity is in material violation of any term of any employment agreement, independent contractor agreement, nondisclosure agreement, common law nondisclosure obligation, insider trading agreement, fiduciary duty, non-competition agreement, restrictive covenant or other obligation to any Company Entity or, to the Knowledge of the Company, a third party relating (i) to the right of any such employee to be employed by the Company Entity, (ii) to the right of any such independent contractor to provides services to the Company Entity, or (iii) to the knowledge or use of confidential or proprietary information.

(k) True, correct and complete copies have been made available to Acquiror of the material written personnel manuals, handbooks, policies, rules or procedures applicable to any employee and/or independent contractor of all the Company Entities.

(l) Complaints. During the past four years, there have been no Actions regarding or involving any current or former employee, independent contractor, freelancer, or worker in their capacity with the Company Entities as such.

4.15 Taxes.

(a) All Tax Returns required by Law to be filed by the Company or its Subsidiaries have been duly and timely filed (after giving effect to any valid extensions of time in which to make such filings). Such Tax Returns are true, complete and correct in all material respects. Neither the Company nor any of its Subsidiaries is currently the beneficiary of any extension of time within which to file any Tax Return.

(b) All Taxes (whether or not shown to be due and owing on any Tax Returns of the Company and its Subsidiaries) owed by the Company and its Subsidiaries have been timely paid.

(c) Each of the Company and its Subsidiaries has (i) withheld all amounts of Taxes required to have been withheld by it in connection with amounts paid to any employee, independent contractor, creditor, shareholder or any other Person, (ii) remitted such amounts required to have been remitted to the appropriate Governmental Authority and (iii) complied in all material respects with all information reporting and backup withholding provisions of applicable Law.

(d) Each of the Company and its Subsidiaries has collected all sales and use Taxes required to be collected, and has remitted, or will remit on a timely basis, such amounts to the appropriate Governmental Authorities, or has been furnished properly completed exemption certificates.

(e) No audit, actions, claims, inquiries, examinations, investigations, proposed adjustments, assessments, or administrative or judicial proceeding with regard to any Taxes or Tax Return of the Company or its Subsidiaries are currently being conducted, or have been threatened in writing. Neither the Company nor its Subsidiaries has received any written notice from a Governmental Authority of a proposed deficiency or assessments of Taxes, other than any such deficiencies or assessments that have since been resolved. No claim or inquiry has been made by any Governmental Authority in a jurisdiction where the Company or any of its Subsidiaries does not file a Tax Return that such entity is or may be subject to Taxes by or required to file Tax Returns in that jurisdiction. There are no outstanding agreements (excluding automatic extensions of time to file Tax Returns obtained in the ordinary course of business) extending or waiving the statutory period of limitations applicable to any claim for, or the period for the collection or assessment or reassessment of, Taxes of the Company or its Subsidiaries, and no written request for any such waiver or extension is currently pending.

(f) Neither the Company nor its Subsidiaries (or any predecessor thereof) has constituted either a "distributing corporation" or a "controlled corporation" in a distribution of stock qualifying for tax-free treatment under Section 355 of the Code (or so much of Section 356 of the Code as relates to Section 355 of the Code) in the prior two years.

(g) No Company Entity has participated, within the meaning of Treasury Regulations Section 1.6011-4(c), in any (i) "reportable transaction" within the meaning of Section 6011 of the Code and the Treasury Regulations thereunder, (ii) "tax shelter" or "confidential corporate tax shelter" within the meaning of Section 6111 of the Code and the Treasury Regulations thereunder or (iii) "potentially abusive tax shelter" within the meaning of Section 6112 of the Code and the Treasury Regulations thereunder.

(h) Neither the Company nor its Subsidiaries will be required to include any item of income in, or exclude any item of deduction from, taxable income for any taxable period (or portion thereof) beginning after the Closing Date as a result of any: (A) change in method of accounting for a taxable period (or portion thereof) ending on or prior to the Closing Date, including by reason of the application of Section 481 of the Code (or any analogous provision of state, local or foreign law) or otherwise; (B) use of the cash method, or any improper method, of accounting for a Pre-Closing Tax Period; (C) ruling by, or written agreement with, a Governmental Authority (including any closing agreement pursuant to Section 7121 of the Code or any similar provision of Tax Law) issued or executed prior to the Closing; (D) installment sale or open transaction disposition made prior to the Closing; (E) prepaid amount received or deferred revenue accrued on or prior to the Closing; (F) intercompany transaction or excess loss accounts described in the Treasury Regulations promulgated under Section 1502 of the Code (or any corresponding or similar provision of state, local or foreign income Tax Law) that existed prior to the Closing; (G) Section 965 of the Code; (H) debt instrument held by the Company or its Subsidiary on or before the Closing Date that was acquired with "original issue discount" as defined in Section 1273(a) of the Code or subject to the rules set forth in Section 1276 of the Code. ICC has not agreed to make, nor is ICC required to make, any adjustment under Code Section 263A or any comparable provision of state, local or foreign Tax Law by reason of a change in accounting method or otherwise. ICC is not and has never been subject to adjustment under Section 482 of the Code (including any similar provision of state, local, or foreign Tax Law).

(i) There are no Liens with respect to Taxes on any of the assets of the Company or its Subsidiaries, other than Liens for Taxes not yet due and payable.

(j) None of the Company or any of its Subsidiaries have ever been a member of an affiliated, combined, consolidated, unitary or similar Tax group for Tax purposes (other than a group of which the common parent is the Company). Neither the Company nor its Subsidiaries has any liability for the Taxes of any Person (other than the Company or its Subsidiaries) under Treasury Regulation Section 1.1502-6 (or any similar provision of state, local or foreign Law), as a transferee or successor, by Contract or otherwise.

(k) No closing agreement, offer in compromise, private letter ruling, technical advice memoranda or any other similar agreement or ruling have been requested, entered into or issued by any Governmental Authority with respect to the Taxes of the Company or any of its Subsidiaries.

(l) No power of attorney granted by or with respect to the Company or its Subsidiaries relating to Taxes is currently in force.

(m) Neither the Company nor any of its Subsidiaries has a permanent establishment (within the meaning of an applicable Tax treaty or convention) or an office or fixed place of business, or otherwise been subject to taxation, in any country other than the country in which it is organized.

(n) Neither the Company nor any of its Subsidiaries is a party to, or bound by, or has any obligation to, any Governmental Authority or other Person under any Tax allocation agreement, Tax indemnification agreement (except, in each case, for any such agreements that are commercial contracts entered into in the ordinary course of business not primarily relating to Taxes) or Tax Sharing Agreement.

(o) The Company and each of its Subsidiaries, other than ICC, has been since its respective date of formation disregarded as separate from Seller for U.S. federal income tax purposes. ICC is and has been since its date of formation classified as a C corporation for U.S. federal income tax purposes.

(p) Neither the Company nor any of its Subsidiaries is, and has not been at any time during the five (5) year period ending on the Closing Date, a "United States real property holding corporation" within the meaning of Section 897(c)(2) of the Code.

(q) Neither the Company nor any of its Subsidiaries is a party to any joint venture, partnership, limited liability company or other arrangement or contract that is treated as a partnership for U.S. federal income tax purposes.

(r) The charges, accruals and reserves for Taxes on the financial statements of the Company and its Subsidiaries (as adjusted for the passage of time through the Closing Date in accordance with GAAP) are adequate to cover the Tax liabilities of the Company and each of its Subsidiaries if their current Tax year were treated as ending on the Interim Balance Sheet Date or as of the Closing Date, as the case may be (excluding any amount recorded which is attributable solely to timing differences between book and Tax income). The Company and its Subsidiaries have not incurred any liabilities for Taxes since the Interim Balance Sheet Date outside the ordinary course of business.

(s) The Company has not been a "distributing corporation" or a "controlled corporation" in a transaction intended or designed to be governed in whole or in part by Section 355 of the Code (or so much of Section 356 of the Code as relates to Section 355 of the Code) or Section 361 of the Code.

(t) All related party transactions involving the Company were at arm's length in compliance in all material respects with Section 482 of the Code and the Treasury Regulations promulgated thereunder and any similar provision of applicable Law.

4.16 Brokers' Fees. Except for Craig-Hallum Capital Group, LLC, no broker, finder, investment banker or other Person is entitled to any brokerage fee, finders' fee or other commission in connection with the Transactions based upon arrangements made by the Company, its Subsidiaries or any of their Affiliates for which the Company or any of its Subsidiaries has any obligation.

4.17 Insurance. Schedule 4.17 contains a true, complete and correct list of all material policies and contracts currently in effect for insurance of which any Company Entity is the owner, insured or beneficiary or which has been bound by any Company Entity to cover any of the assets of any Company Entity as of the date hereof (the "Insurance Policies"), copies of which have been made available to Acquiror. All premiums due and payable with respect to such Insurance Policies have been timely paid. All Insurance Policies are in full force and effect and no Company Entity is currently in receipt of any written notice of cancellation or non-renewal thereunder. There is no ongoing default by the Company with respect to any provision contained in any Insurance Policy. (a) There are no outstanding claims under the Insurance Policies; (b) there are no premiums or claims due under the Insurance Policies which remain unpaid and no such policy is subject to any retroactive, retrospective or other similar type of premium adjustment; and (c) since January 1, 2023, no written notice of cancellation or non-renewal (other than conditional notice of non -renewal pursuant to applicable Law related to the increase of premiums) with respect to, or disallowance (other than reservation of rights by the insurer) of any claim under, any Insurance Policy has been received.

4.18 Real Property; Assets.

(a) Owned Real Property. The Company does not own any parcel of real property that is used in or otherwise necessary for the conduct of the business of the Company as currently conducted.

(b) Leased Real Property. Section 4.18(b) of the Disclosure Schedules sets forth each lease, sublease, license or other agreement (including any amendment, extension, renewal or guaranty) in effect with respect to each Leased Real Property used in or necessary for the conduct of the Business or pursuant to which any Company

Entity leases, subleases, or otherwise occupies or possesses any Leased Real Property (collectively, the "Leases"). With respect to each Lease:

(i) the Company has delivered a true, correct and complete copy of each Lease to Acquiror;

(ii) each such Lease is legal, valid, binding, enforceable, and in full force and effect, and each such Lease will continue to be legal, valid, binding, enforceable, and in full force and effect, on identical terms, following the consummation of the transactions contemplated hereby.

(iii) none of the Company Entities nor, to the Knowledge of the Company, any other party is in breach or default of any of the provisions of such Lease, and no event has occurred or circumstance exists which, with the delivery of notice, passage of time, or both, would constitute such a breach or default, or permit termination, modification, or acceleration thereunder;

(iv) no party to the Lease has repudiated any provision thereof, nor has any party to the Lease sent or received any notice of any intention to terminate any such Lease;

(v) there are no disputes, oral agreements, or forbearance programs in effect as to the Lease;

(vi) the Company Entities have paid all rent due and payable under such Lease. No rent or additional rent to become payable under the Lease has been paid more than thirty (30) days in advance. The Company Entities have not received any amounts from or on behalf of the landlord under the Lease, for which any reimbursement may be due;

(vii) the Company Entities have not received or given any notice of any default or event that with notice or lapse of time, or both, would constitute a default under any of the Leases. To Company Entities' knowledge, the landlord under the Lease has no present claims of offset against the Company Entities;

(viii) the Company Entities have not subleased, assigned, transferred, conveyed, mortgaged, deeded in trust, or encumbered any interest in the Lease or the Leased Real Property, nor have the Company Entities granted any other Person the right to use or occupy such Leased Real Property or any portion thereof;

(ix) the Company Entities have not received any written notice of (A) violations of building codes and/or zoning ordinances or other governmental or regulatory Laws affecting the Leased Real Property, (B) existing, pending or threatened condemnation proceedings affecting the Leased Real Property, or (C) existing, pending or threatened zoning, building code or other moratorium proceedings, or similar matters which could reasonably be expected to materially and adversely affect the ability to operate the Leased Real Property as currently operated;

(x) neither the whole nor any portion of any Leased Real Property has been damaged or destroyed by fire or other casualty;

(xi) the Leased Real Property is sufficient for the continued conduct of the business of the Company Entities after the Closing in the same manner as conducted prior to the Closing, and constitutes all of the real property necessary to conduct the Business;

(xii) the security deposit held by the landlord under such Lease remains fully available without any reduction; and

(xiii) all work to the premises or property in which such premises is located, including without limitation, all improvements, parking facilities and other construction to the extent required under the Lease, have been completed as required by the Lease as of the date hereof and the same were accepted by the applicable parties as satisfactory.

(c) Environmental Matters. The Company Entities, and the Leased Real Property, are currently and have been in compliance with all Environmental Laws. There is no and has not been any pending or threatened Action by any person, entity or Governmental Authority, or written notice of violation, notice to comply, inquiry, or information request by any Governmental Authority, relating to any Environmental Law involving the Company Entities or their properties or assets, including any real property currently or formerly owned, leased or operated by the Company. The Company Entities have no liability or remediation obligation under any applicable Environmental Law. No real property currently or formerly owned, leased or operated by the Company Entity is listed on, or has been proposed for listing on, the National Priorities List (or CERCLIS) under CERCLA, or any similar state or foreign list. The Company Entities have provided copies of all previous and current environmental studies (Phase I, Phase II, remediation reports and associated subsequent monitoring reports) related to any real property currently or formerly owned, leased or operated by the Company Entities, including any environmental related citations or notifications; and copies of any environmental indemnifications by or in favor of the Company Entities, as relating in any manner to their current or former assets.

(d) The Company Entities have good and marketable title to, or a valid leasehold interest in, all personal property and other assets reflected in the Financial Statements or acquired after the Interim Balance Sheet Date, other than properties and assets sold or otherwise disposed of in the ordinary course of business consistent with past practice since the Interim Balance Sheet Date. All such properties and assets (including leasehold interests) are free and clear of all Liens other than Permitted Liens. There are no financing statements under the Uniform Commercial Code which name the Company as debtor or lessee filed in any state, except such financing statements as relate to Indebtedness being paid off at or prior to the Closing, and which will be terminated in released in full at or prior to the Closing.

4.19 FDA; Product Liability.

(a) Except as set forth in Schedule 4.19 and except as would not reasonably be expected to be material to any Company Entity (and to the Knowledge of the Company, each of its suppliers) is in compliance with all applicable Laws (including the California Safe Drinking Water and Toxic Enforcement Act of 1986) relating to food safety of its Products. To the Knowledge of the Company, there has been no material untrue statement of fact and no fraudulent statement made by the Company or its agent or representative to the FDA or any other Governmental Authority and no failure to disclose any material fact required to be disclosed to the FDA or any other Regulatory Agency.

(b) Schedule 4.19 sets forth an accurate, correct and complete list and summary description of all existing Liabilities arising from or, to the Knowledge of the Company, alleged to arise from any injury to person or property as a result of the ownership, possession or use of any Product during the preceding five (5) years. The Company has no Liability (and, to the Company's Knowledge, there is no reasonable basis for any present or future Action, claim or demand against the Company giving rise to any Liability) arising out of any injury to individuals or property as a result of the ownership, possession, or use of any Product. No product liability claims relating to the Products involving amounts in excess of $50,000 have occurred or been threatened in writing within the past five (5) years.

(c) There is no, and within the past five (5) years there has been no notice of violation or Action pending or, to the Company's Knowledge, threatened by the FDA (or state or local equivalent), the Department of Health and Human Services, the Department of Justice, the Drug Enforcement Administration or any state office of the attorney general or other bodies that regulate the Company's business and operations any other Governmental Authority or any other Person (including any distributor or wholesaler) with respect to the Company's business practices or Products. In the past five (5) years, there has been no recall or Product destruction (including voluntary recalls or destructions), suspension, seizure or market-withdraw of or other similar corrective action with respect to any of the Products, including any action taken by the Company with respect to any Products. To the Knowledge of the Company, (i) none of the co-manufacturers, assemblers or food service distributors that produce, receive, assemble or distribute any of the Products are subject (or have been subject during the period of the Company's business relationship with such Person) to any such Action with respect to any Products, and (ii) there is presently no reasonable basis for any such Action with respect to any Products or that would reasonably be expected to cause the Company to recall, withdraw or suspend any of the Products from the market or to cease further distribution or marketing of such Products. To the Knowledge of the Company, no Governmental Authority has prohibited any product or process from being marketed or used in the jurisdictions in which the Company conducts business that is substantially similar to any Product or to a process used for making, handling or distributing any such Products. Except as set forth on Schedule 4.19, neither the Company nor Seller has received any written information or report from the FDA or any other Governmental Authority responsible for regulating food or beverage products, indicating that any of the Products is unsafe or unsuitable for its intended use.

4.20 Absence of Changes.

(a) Since January 1, 2026, there has not been any change, development, condition, occurrence, event or effect relating to the Company or its Subsidiaries that, individually or in the aggregate, resulted in, or would reasonably be expected to result in, a Material Adverse Effect.

(b) Since the Interim Balance Sheet Date through the date of this Agreement, except (A) as expressly contemplated or permitted by this Agreement or (B) as set forth on Schedule 4.20(b), (1) the Company and its Subsidiaries have, in all material respects, conducted their business and operated their properties in the ordinary course of business consistent with past practices, and (2) the Company and its Subsidiaries have not undertaken any:

(i) amendment or modification of, or change to, the Organizational Documents of the Company or any of its Subsidiaries;

(ii) split, combination, recapitalization or reclassification of any shares of its capital stock (or other equity security);

(iii) issuance, sale or other disposition of any equity security or grant of any options, warrants or other rights to purchase or obtain (including upon conversion, exchange or exercise) any equity security of any Company Entity;

(iv) making, declaration or payment of any dividends or distributions (whether in cash, stock or otherwise) on or in respect of any of its capital stock (or other equity security); redemption, purchase or acquisition of its capital stock (other than distribution or dividend from a wholly-owned Subsidiary of the Company to the Company or another wholly-owned Subsidiary of the Company);

(v) material change in the Company Entities' cash management practices and their policies, practices and procedures with respect to collection of accounts receivable, establishment of reserves for uncollectible accounts, accrual of accounts receivable, payment and prepayment of expenses, payment of accounts payable, accrual of other expenses, deferral of revenue and acceptance of customer deposits;

(vi) material change in any method of accounting or accounting practice of the Company Entities, except as required by GAAP or applicable Laws and regulations;

(vii) material adverse change to any Company Entity's privacy policy or to the security of any of the Company Entities' Systems, except as required by applicable Law;

(viii) incurrence, assumption or guarantee of any indebtedness for borrowed money by the Company or any of its Subsidiaries except unsecured current obligations and Liabilities incurred in the ordinary course of business consistent with past practice;

(ix) entered into any agreement with respect to the payment, discharge, compromise, waiver, release, assignment or settlement of any Indebtedness or Change of Control Payments;

(x) transfer, assignment, sale or other disposition of any tangible or intangible asset shown or reflected in the balance sheet, other than sales of inventory in the ordinary course of business consistent with past practice, or cancellation of any debts;

(xi) transfer, assignment or grant of any exclusive license or exclusive sublicense of material rights under or with respect to any material Owned Intellectual Property;

(xii) capital investment in, or any loan to, any other Person;

(xiii) other than in the ordinary course of business consistent with past practice, entry into, acceleration, termination (excluding any expiration in accordance with its terms), material modification to or cancellation of any Material Contract or Company IP Agreement or waiver or release of any material rights, claims or benefits under any Material Contract or Company IP Agreement;

(xiv) capital expenditure in excess of $25,000 individually or $50,000 in the aggregate;

(xv) imposition of any material Lien (other than Permitted Liens) upon any of the Company Entities' properties, capital stock or assets, tangible or intangible;

(xvi) except as required by applicable Law, (A) increase in the compensation or benefits payable to or in respect of any current or former employee, officer, director, individual independent contractor or individual consultant of any Company Entity, (B) establishment, adoption, entry into, amendment, modification, termination or taking any action to accelerate rights under any Benefit Plan or any plan, agreement, program, policy, trust, fund or other arrangement that would be a Benefit Plan if it were in existence as of the date hereof other than in connection with an annual renewal, (C) acceleration of the vesting, settlement or payment (or otherwise fund or secure any payment or settlement) of any compensation or benefit for any current or former employee, officer, director, individual independent contractor or individual consultant, (D) grant or provision of any equity or equity-related compensation, retention, stay or change in control bonus, or severance or termination payments or benefits to any current or former employee, officer, director, individual independent contractor or individual consultant or increase the amount payable in respect of any such payments or benefits, (E) entry into any new employment Contract, or (F) hiring or termination of the employment of (other than for "cause"), any officer, employee, individual independent contractor or individual consultant of any Company Entity;

(xvii) loan or advance to (or cancellation or forgiveness of any loan to) any of its stockholders or current or former directors, officers and employees or any Affiliate or family member thereof, or entry into, or modification or termination of, any transaction, agreement or arrangement with any of its stockholders or current or former directors or officers or any Affiliate or family member thereof;

(xviii) entry into a new line of business that is unrelated to the current Business or abandonment or discontinuance of existing lines of business;

(xix) adoption of any plan of merger, consolidation, reorganization, liquidation or dissolution or filing of a petition in bankruptcy under any provisions of federal or state bankruptcy Law or consent to the filing of any bankruptcy petition against it under any similar Law;

(xx) purchase, lease or other acquisition of the right to own, use or lease any property or assets for an amount in excess of $25,000 individually or $50,000 in the aggregate, except for purchases or leases of inventory, services and supplies in the ordinary course of business consistent with past practice;

(xxi) acquisition by merger or consolidation with, or by purchase of a substantial portion of the assets or stock of, or by any other manner, any business or any Person or any division thereof;

(xxii) action by a Company Entity to make, change or rescind any Tax election, amend any Tax Return or file refund claim with respect to Tax, settle or compromise any claim, investigation, audit, controversy or assessment in respect of Taxes, change any annual Tax accounting period, adopt or change any method of Tax accounting, surrender any right to claim a Tax refund, consent to any extension or waiver of the statute of limitations period applicable to any Tax claim, investigation, audit, controversy or assessment, enter into any power of attorney with respect to Taxes, or take any action, omit to take any action or enter into any other transaction that, in each case, (A) is outside of the ordinary course of business and inconsistent with the any Company Entity's past practices and (B) would reasonably be expected to have the effect of materially increasing the Tax liability of Acquiror in respect of any Tax period beginning after the Closing Date;

(xxiii) payment, discharge, compromise, waiver, release, assignment or settlement of any material rights or pending or threatened Actions (whether civil, criminal, administrative or investigative) against the Company or any of its Subsidiaries (A) involving payments in excess of $25,000 in any single instance or in excess of $50,000 in the aggregate, (B) seeking injunctive or other equitable relief which imposes any materially adverse restrictions on the operations of any Company Entity, (C) by Seller or its Affiliates, or (D) which relates to the transactions contemplated by this Agreement;

(xxiv) entry into, renewal, modification or amendment of any Company Affiliate Agreement (or any Contract, that if existing on the date hereof, would have constituted a Company Affiliate Agreement);

(xxv) voluntary failure to maintain, cancellation of or material change in coverage under any insurance policy in form and amount equivalent in all material respects to the insurance coverage currently maintained with respect to the Company and its Subsidiaries and their assets and properties; or

(xxvi) authorization of, or commitments or agreements to do, any of the foregoing.

4.21 Affiliate Agreements. None of the Company or its Subsidiaries is a party to any transaction or Contract with any (i) present or former officer or director of any of the Company or its Subsidiaries, (ii) beneficial owner (within the meaning of Section 13(d) of the Exchange Act) of 5% or more of the capital stock or equity interests of any of the Company or its Subsidiaries or (iii) Affiliate, "associate" or member of the "immediate family" (as such terms are respectively defined in Rules 12b-2 and 16a-1 of the Exchange Act) of any of the foregoing (each of the foregoing, a "Company Affiliate Agreement").

4.22 Internal Controls. The Company and its Subsidiaries maintain a system of internal accounting controls designed to provide reasonable assurance that: (a) all assets, liabilities and transactions are accurately and timely recorded in all material respects and to maintain accountability for the assets and (b) transactions are executed and access to records is permitted only in accordance with management's authorization. No officer, manager, director or employee of any the Company or any of its Subsidiaries has (A) circumvented the internal accounting controls of the Company or any of its Subsidiaries, (B) falsified any of the books, records or accounts of the Company or any of its Subsidiaries, or (C) made false or misleading statements to, or attempted to coerce or fraudulently influence, an accountant in connection with any audit, review or examination of the financial statements of the Company and its Subsidiaries.

4.23 Permits. Each of the Company and its Subsidiaries has all Permits that are required to own, lease or operate its properties, rights and assets and to conduct its business as currently conducted (the "Company Permits"). No event has occurred that, with or without notice or lapse of time or both, would reasonably be expected to result in the revocation, suspension, lapse or limitation of any Company Permit. Each Company Permit is in full force and effect in accordance with its terms. No outstanding written notice of revocation, cancellation or termination of any Company Permit has been received by the Company or its Subsidiaries. To the Knowledge of the Company, none of such Company Permits upon its termination or expiration in the ordinary due course will not be renewed or reissued in the ordinary course of business upon terms and conditions substantially similar to its existing terms and conditions. There are no Actions pending or, to the Knowledge of the Company, threatened, that seek the revocation, cancellation, limitation, restriction or termination of any Company Permit. Each of the Company and its Subsidiaries is in compliance with all Company Permits applicable to the Company or its Subsidiaries.

4.24 Privacy and Data Security.

(a) The Company Entities have a privacy policy regarding the collection, use and disclosure of personal information in connection with the operation of the Business for which any Company Entity is the "controller" or similarly responsible under applicable Laws regarding the collection, retention, use and protection of personal information, or otherwise held or processed on its behalf and each Company Entity is and has been in material compliance with such privacy policy. The Company Entities have posted a privacy policy in a clear and conspicuous location on all public websites owned or operated by the Company Entities.

(b) Without limiting the generality of Section 4.09, each Company Entity has in the past five (5) years complied in all material respects with all applicable Laws regarding the collection, retention, use and protection of personal information.

(c) Each applicable Company Entity and, to the Knowledge of the Company, each other party thereto is in material compliance with the terms of all Material Contracts relating to data privacy, security or breach notification (including provisions that impose conditions or restrictions on the collection, use, disclosure, transmission, destruction, maintenance, storage or safeguarding of personal information), if any.

(d) No Person (including any Governmental Authority) has, in the past five (5) years, (i) commenced any Action against any Company Entity relating to any Company Entity's information privacy or data security practices relating to the personal information of consumers, including with respect to the access, disclosure or use of personal information of consumers maintained by or on behalf of any Company Entity, or, (ii) to the Knowledge of the Company, threatened any such Action, or made any complaint or investigation relating to such practices.

(e) The execution, delivery and performance of this Agreement and the consummation of the contemplated transactions, including any transfer of personal information resulting from such transactions, will not violate the privacy policy of any Company Entity as it currently exists.

(f) The Company Entities have established and implemented policies, programs and procedures that are commercially reasonable, in material compliance with applicable industry practices and appropriate, including administrative, technical and physical safeguards to protect the confidentiality, integrity and security of personal information for which any Company Entity is the "controller" or similarly responsible under applicable Laws regarding the collection, retention, use and protection of personal information against unauthorized access, use, modification, disclosure or other misuse.

(g) The Business has not in the past five (5) years experienced any loss, damage, or unauthorized access, disclosure, use or breach of security of any personal information for which any Company Entity is the "controller" or similarly responsible under applicable Laws regarding the collection, retention, use and protection of personal information or otherwise held or processed on its behalf.

4.25 Inventory. All Inventory, whether or not reflected in the Financial Statements, consists of a quality and quantity usable and salable in the ordinary course of business, except for obsolete, damaged, defective or slow-moving items that have been written off or written down to fair market value or for which adequate reserves have been established in accordance with GAAP. All Inventory is owned by the Company Entities free and clear of all Liens (other than Permitted Liens) and no Inventory is held on a consignment basis. The quantities of each item of Inventory (whether raw materials, work-in-process or finished goods) are not excessive, but are reasonable in the present circumstances of the Business.

4.26 Accounts Receivable. The Accounts Receivable reflected on the Interim Financial Statements and the Accounts Receivable arising after the date thereof (A) have arisen from bona fide transactions entered into by the Company Entities involving the sale of goods or the rendering of services in the ordinary course of business consistent with past practice; (B) constitute only valid, undisputed claims of the Company Entities not subject to claims of set-off or other defenses or counterclaims other than normal cash discounts accrued in the ordinary course of business consistent with past practice; and (C) subject to a reserve for bad debts shown on the Interim Financial Statements or, with respect to Accounts Receivable arising after the date thereof, on the accounting records of the Company Entities, are collectible in full within sixty (60) days after billing. The reserve for bad debts shown on the Interim Financial Statement or, with respect to Accounts Receivable arising after the date thereof, on the accounting records of the Company Entities have been determined in accordance with GAAP, consistently applied. Except as set forth in Section 4.26 of the Disclosure Schedules, no discount or allowance from any Account Receivable has been made or agreed to and none represents billings prior to actual sale of goods or provision of services.

4.27 Customers and Suppliers.

(a) Section 4.27(a) of the Disclosure Schedules sets forth (i) each customer which is a top ten (10) customer of the Company Entities based on the aggregate consideration paid to the Company Entities for goods or services rendered in either of the two (2) most recent fiscal years or the period from January 1, 2026 to the Closing Date (collectively, the "Material Customers"); and (ii) the amount of consideration paid by each Material Customer during such periods. No Company Entity has received any notice, nor has any reason to believe, that any of the Material Customers has ceased, or intends to cease, delay, declare any force majeure, declare a default, or renegotiate the pricing terms or any other terms of any Contract after the Closing, to use the goods or services of the Company Entities or to otherwise terminate or materially reduce its relationship with the Company Entities.

(b) Section 4.27(b) of the Disclosure Schedules sets forth (i) each supplier which is a top ten (10) supplier of the Company based on aggregate consideration paid by the Company Entities for goods or services rendered in either of the two (2) most recent fiscal years or the period from January 1, 2026 to the Closing Date (collectively, the "Material Suppliers"); and (ii) the amount of purchases from each Material Supplier during such periods. No Company Entity has received any notice, nor has any reason to believe, that any of the Material Suppliers has ceased, or intends to cease, delay deliveries, declare any force majeure, declare a default, or renegotiate the pricing terms or any other terms of a Contract to supply goods or services to the Company Entities or to otherwise terminate or materially reduce its relationship with the Company Entities.

4.28 No Additional Representations and Warranties. EXCEPT FOR THE REPRESENTATIONS AND WARRANTIES CONTAINED IN THIS ARTICLE IV (INCLUDING THE RELATED PORTIONS OF THE SCHEDULES) AND IN ANY ANCILLARY AGREEMENT, THE COMPANY DOES NOT MAKE ANY OTHER EXPRESS OR IMPLIED REPRESENTATION OR WARRANTY, INCLUDING WITH RESPECT TO VALUE, CONDITION, MERCHANTABILITY OR SUITABILITY, WITH RESPECT TO THE COMPANY OR THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT OR ANY OTHER RIGHTS OR OBLIGATIONS TO BE TRANSFERRED HEREUNDER OR PURSUANT HERETO.

4.29 No Reliance. EXCEPT FOR THE REPRESENTATIONS AND WARRANTIES CONTAINED IN ARTICLE VI (INCLUDING THE RELATED PORTIONS OF THE SCHEDULES) AND IN ANY ANCILLARY AGREEMENT, THE COMPANY ACKNOWLEDGES THAT NONE OF ACQUIROR OR PARENT, NOR ANY OF THEIR RESPECTIVE DIRECTORS, OFFICERS, EMPLOYEES, STOCKHOLDERS, PARTNERS, MEMBERS, MANAGERS, OR REPRESENTATIVES, OR ANY OTHER PERSON ON BEHALF OF ACQUIROR OR PARENT, MAKES ANY OTHER EXPRESS OR IMPLIED REPRESENTATION OR WARRANTY WITH RESPECT TO ACQUIROR, PARENT OR THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT, ANY OTHER INFORMATION PROVIDED TO THE COMPANY OR ANY OF ITS AFFILIATES OR REPRESENTATIVES OR ANY OTHER RIGHTS OR OBLIGATIONS TO BE TRANSFERRED HEREUNDER OR PURSUANT HERETO, INCLUDING WITH RESPECT TO VALUE, CONDITION, MERCHANTABILITY OR SUITABILITY, INFRINGEMENT, FITNESS FOR A PARTICULAR PURPOSE, OR ANY WARRANTY WITH RESPECT TO THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION. THE COMPANY ACKNOWLEDGES THAT IT IS NOT RELYING NOR HAS IT RELIED ON ANY EXPRESS OR IMPLIED REPRESENTATIONS OR WARRANTIES EXCEPT FOR THOSE EXPRESSLY MADE BY ACQUIROR AND PARENT IN ARTICLE VI (INCLUDING THE RELATED PORTIONS OF THE SCHEDULES) AND IN ANY ANCILLARY AGREEMENT, THAT ONLY THOSE REPRESENTATIONS OR WARRANTIES IN THIS AGREEMENT (INCLUDING THE RELATED PORTIONS OF THE SCHEDULES) SHALL HAVE ANY LEGAL EFFECT, AND THAT THE COMPANY EXPRESSLY DISCLAIMS RELIANCE ON ANY OMISSIONS FROM ACQUIROR'S AND PARENT'S REPRESENTATIONS AND WARRANTIES IN THIS AGREEMENT (INCLUDING THE RELATED PORTIONS OF THE SCHEDULES).

ARTICLE V
REPRESENTATIONS AND WARRANTIES OF SELLER

Except as set forth in the Schedules to this Agreement (each of which qualifies (a) the correspondingly numbered representation, warranty or covenant if specified therein and (b) such other representations, warranties or covenants where its relevance as an exception to (or disclosure for purposes of) such other representation, warranty or covenant is reasonably apparent on the face of such disclosure), the Seller represents and warrants to Acquiror as of the date hereof as follows:

5.01 Organization and Qualifications; Subsidiaries. Seller is a limited liability company duly organized, validly existing, and in good standing under the Laws of the State of Delaware. Seller has all requisite limited liability company power and authority to own, operate or lease the properties and assets now owned, operated or leased by it and to carry on its business as currently conducted. Seller is duly licensed or qualified to do business and is in good standing in each jurisdiction in which the properties owned or leased by it or the operation of its business as currently conducted makes such licensing or qualification necessary, except such licenses or qualifications the absence of which would not reasonably be expected to have a Seller Material Adverse Effect. Seller has all requisite limited liability company power and authority to execute, deliver, and perform this Agreement and the Ancillary Agreements to which it is a party, and to consummate the transactions contemplated hereby and thereby.

5.02 Due Authorization.

(a) Seller has all requisite limited liability company power and authority to enter into and perform its obligations under this Agreement and the Ancillary Agreements to which it is a party and to consummate the transactions contemplated hereby and thereby.

(b) The execution, delivery and performance by Seller of this Agreement, and each Ancillary Agreement to which Seller is a party, and the consummation by Seller of the transactions contemplated hereby and thereby have been duly authorized by all requisite limited liability company action on the part of Seller and no other limited liability company proceedings on the part of Seller are necessary to authorize the execution, delivery and performance of this Agreement, any Ancillary Agreements to which Seller is a party or to consummate the transactions contemplated hereby or thereby. This Agreement has been, and each Ancillary Agreement to which Seller is a party will be, duly and validly executed and delivered by Seller and, assuming due authorization, execution and delivery by the other parties hereto and thereto, constitute, or will constitute, the valid and binding obligation of Seller, enforceable against Seller in accordance with their respective terms, subject to the effect of any applicable bankruptcy, reorganization, insolvency, moratorium, fraudulent conveyance or similar Laws relating to or affecting creditors' rights generally and subject, as to enforceability, to the effect of general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at Law).

(c) The board of managers of Seller has unanimously (a) approved and declared the advisability of this Agreement and the Ancillary Agreements and the consummation of the transactions contemplated hereby and thereby and (b) determined that the consummation of the transactions contemplated hereby and thereby are in the best interests of Seller.

5.03 No Conflict; Consents.

(a) Except as set forth in Schedule 5.03(a), the execution, delivery, and performance by Seller of this Agreement, and any Ancillary Agreement to which Seller is a party, and the consummation by Seller of the transactions contemplated hereby and thereby do not and will not, with or without the giving of notice or the lapse of time, or both, (a) conflict with or result in a violation or breach of any provision of Law or Governmental Order applicable to Seller, (b) conflict with or result in a violation of any provision of the Organizational Documents of Seller, (c) require the consent or notice by any Person under, conflict with, result in a material violation or material breach of or constitute a material default or an event that, with or without notice or lapse of time or both, would constitute a default under, or result in the acceleration of or create in any party the right to accelerate, terminate, modify or cancel any Contract to which Seller is a party or by which it may be bound, or (d) result in the creation or imposition of any Lien of any nature whatsoever upon any assets or property of Seller except, with respect to the foregoing clauses (a), (c) and (d), as would not reasonably be expected to be material to the Seller.

(b) Except as set forth in Schedule 5.03(b), no consent, approval, or authorization of, or exemption by, or filing with, any Governmental Authority is required to be obtained or made by Seller in connection with the execution, delivery and performance by Seller of this Agreement or any Ancillary Agreement to which Seller is a party or the taking by Seller of any other action contemplated hereby or thereby.

5.04 Governmental Authorities; Consents. No consent, approval or authorization of, or designation, declaration or filing with, any Governmental Authority or notice, approval, consent waiver or authorization from any Governmental Authority is required on the part of Seller with respect to Seller's execution, delivery or performance of this Agreement or the consummation of the Transactions, except for (a) any consents, approvals, authorizations, designations, declarations, waivers or filings, the absence of which would not, individually or in the aggregate, reasonably be expected to be material to the Seller, and (b) as otherwise set forth on Schedule 5.04.

5.05 Litigation and Actions. There are no Actions pending or, to the knowledge of Seller, threatened against or by Seller that challenge or seek to prevent, enjoin or otherwise delay the transactions contemplated by this Agreement. No event has occurred or circumstances exist that may give rise to, or serve as a basis for, any such Action.

5.06 Title to Interests. Seller has good and marketable title to and is the sole record and beneficial owner of the Interests, free and clear of any Liens (other than restrictions on transfer arising under applicable federal and state securities Laws). Seller has full power and authority to sell, transfer, assign and deliver the Interests to Acquiror as provided in this Agreement and the other Ancillary Agreements to which Seller is a party. Upon the Closing, Seller shall transfer to Acquiror good and marketable title to the Interests, free and clear of any Liens (other than restrictions on transfer arising under applicable federal and state securities Laws), and Acquiror will be the sole record and beneficial owner of the Interests, free and clear of any Liens (other than restrictions on transfer arising under applicable federal and state securities Laws). Except for this Agreement, Seller is not party to (A) any other commitments, arrangements, rights or agreements providing for the repurchase, redemption or other acquisition of the Interests or (B) voting agreements, member agreements, management agreements, pledge agreements, buy-sell agreements, proxies or other similar agreements or understandings with respect to the Seller's Interests or which restrict or grant any right, preference or privilege with respect to the transfer of the Interests. The Interests represent Seller's entire equitable interest in the Company, and Seller owns no capital stock or other equity securities of the Company which it is not selling to Acquiror pursuant to this Agreement.

5.07 Brokers' Fees. No broker, finder, investment banker or other Person is entitled to any brokerage fee, finders' fee or other commission in connection with the Transactions based upon arrangements made by Seller or any of their Affiliates.

5.08 No Other Representations or Warranties. EXCEPT FOR THE REPRESENTATIONS AND WARRANTIES CONTAINED IN THIS ARTICLE V (INCLUDING THE RELATED PORTIONS OF THE SCHEDULES) AND IN ANY ANCILLARY AGREEMENT, SELLER MAKES NO OTHER EXPRESS OR IMPLIED REPRESENTATION OR WARRANTY, INCLUDING WITH RESPECT TO VALUE, CONDITION, MERCHANTABILITY OR SUITABILITY, WITH RESPECT TO SELLER OR THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT OR ANY OTHER RIGHTS OR OBLIGATIONS TO BE TRANSFERRED HEREUNDER OR PURSUANT HERETO.

5.09 No Reliance. EXCEPT FOR THE REPRESENTATIONS AND WARRANTIES CONTAINED IN ARTICLE VI (INCLUDING THE RELATED PORTIONS OF THE SCHEDULES), SELLER ACKNOWLEDGES THAT NONE OF ACQUIROR, PARENT, NOR ANY OF THEIR RESPECTIVE DIRECTORS, OFFICERS, EMPLOYEES, STOCKHOLDERS, PARTNERS, MEMBERS OR REPRESENTATIVES, OR ANY OTHER PERSON ON BEHALF OF ACQUIROR OR PARENT, MAKES ANY OTHER EXPRESS OR IMPLIED REPRESENTATION OR WARRANTY WITH RESPECT TO ACQUIROR OR PARENT OR THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT, ANY OTHER INFORMATION PROVIDED TO SELLER OR ANY OF THEIR RESPECTIVE AFFILIATES OR REPRESENTATIVES OR ANY OTHER RIGHTS OR OBLIGATIONS TO BE TRANSFERRED HEREUNDER OR PURSUANT HERETO, INCLUDING WITH RESPECT TO VALUE, CONDITION, MERCHANTABILITY OR SUITABILITY, INFRINGEMENT, FITNESS FOR A PARTICULAR PURPOSE, OR ANY WARRANTY WITH RESPECT TO THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION. SELLER ACKNOWLEDGES THAT IT IS NOT RELYING NOR HAS IT RELIED ON ANY EXPRESS OR IMPLIED REPRESENTATIONS OR WARRANTIES EXCEPT FOR THOSE EXPRESSLY MADE BY ACQUIROR OR PARENT IN ARTICLE VI (INCLUDING THE RELATED PORTIONS OF THE SCHEDULES) AND IN ANY ANCILLARY AGREEMENT, AND THAT ONLY THOSE REPRESENTATIONS OR WARRANTIES IN ARTICLE VI (INCLUDING THE RELATED PORTIONS OF THE SCHEDULES) AND IN ANY ANCILLARY AGREEMENT SHALL HAVE ANY LEGAL EFFECT, AND THAT SELLER EXPRESSLY DISCLAIMS RELIANCE ON ANY OMISSIONS FROM ACQUIROR'S OR PARENT'S REPRESENTATIONS AND WARRANTIES IN THIS AGREEMENT (INCLUDING THE RELATED PORTIONS OF THE SCHEDULES). WITHOUT LIMITING THE FOREGOING, NEITHER ACQUIROR, PARENT NOR ANY OTHER PERSON WILL HAVE OR BE SUBJECT TO ANY LIABILITY TO SELLER OR ANY OTHER PERSON RESULTING FROM THE DISTRIBUTION TO SELLER OR ANY OF ITS AFFILIATES OR REPRESENTATIVES, OR SELLER'S OR ANY OF ITS AFFILIATES' OR REPRESENTATIVES' USE OF ANY SUCH INFORMATION, DOCUMENTS, PROJECTIONS, FORECASTS OR OTHER MATERIAL MADE AVAILABLE TO SELLER OR ANY OF ITS AFFILIATES OR REPRESENTATIVES IN CERTAIN "DATA ROOMS" OR MANAGEMENT PRESENTATIONS OR OTHERWISE IN EXPECTATION OF THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT OR ANY DISCUSSIONS WITH RESPECT TO ANY OF THE FOREGOING INFORMATION.

ARTICLE VI
REPRESENTATIONS AND WARRANTIES
OF ACQUIROR AND PARENT

Except as set forth (a) in the Schedules to this Agreement (each of which qualifies (i) the correspondingly numbered representation, warranty or covenant if specified therein and (ii) such other representations, warranties or covenants where its relevance as an exception to (or disclosure for purposes of) such other representation, warranty or covenant is reasonably apparent on the face of such disclosure) or (b) in the Parent SEC Documents filed or furnished by Acquiror or Parent (excluding any disclosures in such Parent SEC Documents under the headings “Risk Factors,” “Forward-Looking Statements” or “Qualitative Disclosures About Market Risk” and other disclosures that are predictive, cautionary or forward looking in nature), each of Acquiror and Parent represents and warrants to the Company as of the date hereof as follows:

6.01 Organization and Qualifications; Subsidiaries. Acquiror is a limited liability company duly organized, validly existing, and in good standing under the Laws of the State of Nevada. Parent is a corporation duly organized, validly existing, and in good standing under the Laws of the State of Nevada. Each of Acquiror and Parent has all requisite corporate or limited liability company, as applicable, power and authority to own, operate or lease the properties and assets now owned, operated or leased by it and to carry on its business as currently conducted. Each of Acquiror and Parent is duly licensed or qualified to do business and is in good standing in each jurisdiction in which the properties owned or leased by it or the operation of its business as currently conducted makes such licensing or qualification necessary, except such licenses or qualifications the absence of which would not reasonably be expected to have an Acquiror Material Adverse Effect. Each of Acquiror and Parent has all requisite corporate or limited liability company, as applicable, power and authority to execute, deliver, and perform this Agreement and the Ancillary Agreements to which it is a party, and to consummate the transactions contemplated hereby and thereby.

6.02 Due Authorization.

(a) Each of Acquiror and Parent has all requisite corporate power or limited liability company power, as applicable, and authority to enter into and perform its obligations under this Agreement and the Ancillary Agreements to which it is a party.

(b) The execution, delivery and performance by Acquiror and Parent of this Agreement, and each Ancillary Agreement to which Acquiror or Parent is a party, and the consummation by Acquiror and Parent of the transactions contemplated hereby and thereby have been duly authorized by all requisite corporate or limited liability company action on the part of Acquiror and Parent and no other corporate or limited liability company proceedings on the part of Acquiror or Parent are necessary to authorize the execution, delivery and performance of this Agreement, any Ancillary Agreements to which Acquiror or Parent is a party or to consummate the transactions contemplated hereby or thereby. This Agreement has been, and each Ancillary Agreement to which Acquiror or Parent is a party will be, duly and validly executed and delivered by Acquiror and Parent and, assuming due authorization, execution and delivery by the other parties hereto and thereto, constitute, or will constitute, the valid and binding obligation of each of Acquiror and Parent, enforceable against each of Acquiror and Parent in accordance with their respective terms, subject to the effect of any applicable bankruptcy, reorganization, insolvency, moratorium, fraudulent conveyance or similar Laws relating to or affecting creditors’ rights generally and subject, as to enforceability, to the effect of general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at Law).

(c) The board of directors of Parent and the sole member of Acquiror has unanimously (a) approved and declared the advisability of this Agreement and the Ancillary Agreements and the consummation of the transactions contemplated hereby and thereby and (b) determined that the consummation of the transactions contemplated hereby and thereby are in the best interests of Acquiror and Parent and the stockholders of Parent.

6.03 No Conflict; Consents.

(a) Except as set forth inSchedule 6.03(a) or as disclosed in any reports, schedules, forms, prospectuses and registration, proxy and other statements, in each case, required to be filed or furnished by Parent with or to the SEC (collectively, and in each case including all exhibits thereto and documents incorporated by reference therein, the “Parent SEC Documents”), the execution, delivery, and performance by Acquiror and Parent of this Agreement, and any Ancillary Agreement to which Acquiror or Parent is a party, and the consummation by Acquiror and Parent of the transactions contemplated hereby and thereby do not and will not, with or without the giving of notice or the lapse of time, or both, (a) conflict with or result in a violation or breach of any provision of Law or Governmental Order applicable to Acquiror or Parent, (b) conflict with or result in a violation of any provision of the Organizational Documents of Acquiror or Parent, (c) require the consent or notice by any Person under, conflict with, result in a material violation or material breach of or constitute a material default or an event that, with or without notice or lapse of time or both, would constitute a default under, or result in the acceleration of or create in any party the right to accelerate, terminate, modify or cancel any Contract to which Acquiror or Parent is a party or by which it may be bound, or (d) result in the creation or imposition of any Lien of any nature whatsoever upon any assets or property of Acquiror or Parent, except, with respect to the foregoing clauses (a), (c) and (d), as would not reasonably be expected to have an Acquiror Material Adverse Effect.

(b) Except as set forth inSchedule 6.03(b) or as disclosed in any Parent SEC Documents, no consent, approval, or authorization of, or exemption by, or filing with, any Governmental Authority is required to be obtained or made by Acquiror or Parent in connection with the execution, delivery and performance by Acquiror or Parent of this Agreement or any Ancillary Agreement to which Acquiror or Parent is a party or the taking by Acquiror or Parent of any other action contemplated hereby or thereby, except such filings as may be required under the Securities Act and the Exchange Act.

6.04 Litigation and Actions. There are no Actions pending or, to the knowledge of Acquiror or Parent, threatened against or by Acquiror or Parent that challenge or seek to prevent, enjoin or otherwise delay the transactions contemplated by this Agreement. No event has occurred or circumstances exist that may give rise to, or serve as a basis for, any such Action.

6.05 Brokers’ Fees. No broker, finder, investment banker or other Person is entitled to any brokerage fee, finders’ fee or other commission in connection with the Transactions based upon arrangements made by Acquiror or Parent or any of their Affiliates.

6.06 Parent Guaranty. Parent hereby unconditionally and irrevocably guarantees, as primary obligor and not merely as a surety, the full and timely performance and payment of each and every obligation of Acquiror under this Agreement, including the payment of the Closing Payment, any Earn-Out Payment, and all other amounts payable by Acquiror hereunder. This guarantee is a guarantee of payment and performance and not of collection, and Seller may enforce this guarantee directly against Parent without first pursuing any remedy against Acquiror, the Company or any other Person. Parent’s obligations under this Section 6.06 shall not be released, discharged or otherwise affected by: (a) any modification, amendment or waiver of any provision of this Agreement (except to the extent such modification, amendment or waiver reduces the underlying obligation); (b) any change in the corporate existence, structure or ownership of Acquiror; (c) any insolvency, bankruptcy, reorganization or other similar proceeding affecting Acquiror; or (d) any other circumstance that might otherwise constitute a legal or equitable discharge of a guarantor. Parent hereby waives diligence, presentment, demand of performance, filing of any claim, any right to require any proceeding first against Acquiror, protest, notice and all demands whatsoever in connection with the performance of its obligations hereunder.

6.07 Financial Capacity. Parent has sufficient cash, available lines of credit or other sources of immediately available funds to enable it to cause Acquiror to make payment of the Closing Payment pursuant to this Agreement. Parent's obligations under this Agreement, including its guaranty obligations under Section 6.06, are not subject to any conditions regarding Parent's or any other Person's ability to obtain financing.

6.08 No Other Representations or Warranties. EXCEPT FOR THE REPRESENTATIONS AND WARRANTIES CONTAINED IN THIS ARTICLE VI (INCLUDING THE RELATED PORTIONS OF THE SCHEDULES) AND IN ANY ANCILLARY AGREEMENT, NEITHER ACQUIROR NOR PARENT MAKES ANY OTHER EXPRESS OR IMPLIED REPRESENTATION OR WARRANTY, INCLUDING WITH RESPECT TO VALUE, CONDITION, MERCHANTABILITY OR SUITABILITY, WITH RESPECT TO ACQUIROR, PARENT OR THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT OR ANY OTHER RIGHTS OR OBLIGATIONS TO BE TRANSFERRED HEREUNDER OR PURSUANT HERETO.

6.09 No Reliance. EXCEPT FOR THE REPRESENTATIONS AND WARRANTIES CONTAINED IN ARTICLE IV AND ARTICLE V (INCLUDING THE RELATED PORTIONS OF THE SCHEDULES), ACQUIROR AND PARENT ACKNOWLEDGE THAT NONE OF THE COMPANY ENTITIES, NOR ANY OF THEIR RESPECTIVE DIRECTORS, OFFICERS, EMPLOYEES, STOCKHOLDERS, PARTNERS, MEMBERS OR REPRESENTATIVES, OR ANY OTHER PERSON ON BEHALF OF ANY COMPANY ENTITY, MAKES ANY OTHER EXPRESS OR IMPLIED REPRESENTATION OR WARRANTY WITH RESPECT TO THE COMPANY ENTITIES OR THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT, ANY OTHER INFORMATION PROVIDED TO ACQUIROR OR PARENT OR ANY OF THEIR RESPECTIVE AFFILIATES OR REPRESENTATIVES OR ANY OTHER RIGHTS OR OBLIGATIONS TO BE TRANSFERRED HEREUNDER OR PURSUANT HERETO, INCLUDING WITH RESPECT TO VALUE, CONDITION, MERCHANTABILITY OR SUITABILITY, INFRINGEMENT, FITNESS FOR A PARTICULAR PURPOSE, OR ANY WARRANTY WITH RESPECT TO THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION. ACQUIROR AND PARENT ACKNOWLEDGE THAT THEY ARE NOT RELYING NOR HAVE THEY RELIED ON ANY EXPRESS OR IMPLIED REPRESENTATIONS OR WARRANTIES EXCEPT FOR THOSE EXPRESSLY MADE BY THE COMPANY IN ARTICLE IV OR SELLER IN ARTICLE V (INCLUDING THE RELATED PORTIONS OF THE SCHEDULES) AND IN ANY ANCILLARY AGREEMENT, THAT ONLY THOSE REPRESENTATIONS OR WARRANTIES IN ARTICLE IV AND ARTICLE V (INCLUDING THE RELATED PORTIONS OF THE SCHEDULES) AND IN ANY ANCILLARY AGREEMENT SHALL HAVE ANY LEGAL EFFECT, AND THAT ACQUIROR OR PARENT EXPRESSLY DISCLAIM RELIANCE ON ANY OMISSIONS FROM THE COMPANY'S AND SELLER'S REPRESENTATIONS AND WARRANTIES IN THIS AGREEMENT (INCLUDING THE RELATED PORTIONS OF THE SCHEDULES). WITHOUT LIMITING THE FOREGOING, NEITHER THE COMPANY, SELLER NOR ANY OTHER PERSON WILL HAVE OR BE SUBJECT TO ANY LIABILITY TO ACQUIROR, PARENT OR ANY OTHER PERSON RESULTING FROM THE DISTRIBUTION TO THE ACQUIROR OR ANY OF ITS AFFILIATES OR REPRESENTATIVES, OR THE ACQUIROR'S OR ANY OF ITS AFFILIATES' OR REPRESENTATIVES' USE OF ANY SUCH INFORMATION, DOCUMENTS, PROJECTIONS, FORECASTS OR OTHER MATERIAL MADE AVAILABLE TO ACQUIROR OR ANY OF ITS AFFILIATES OR REPRESENTATIVES IN CERTAIN "DATA ROOMS" OR MANAGEMENT PRESENTATIONS OR OTHERWISE IN EXPECTATION OF THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT OR ANY DISCUSSIONS WITH RESPECT TO ANY OF THE FOREGOING INFORMATION.

ARTICLE VII
COVENANTS

7.01 Regulatory Approvals.

(a) Each party hereto shall, as promptly as reasonably practicable, use reasonable best efforts to obtain, or cause to be obtained, all post-Closing consents, authorizations, orders and approvals from Governmental Authorities that are necessary for the Business. Each party hereto shall use reasonable best efforts to cooperate fully with the other party hereto and its controlled Affiliates in promptly seeking to obtain all such consents, authorizations, orders and approvals. Each party hereto shall not willfully take any action that such party knows or could reasonably expect will have the effect of delaying, impairing or impeding the receipt of any required consents, authorizations, orders and approvals.

(b) All analyses, appearances, meetings, discussions, presentations, memoranda, briefs, filings, arguments, and proposals made by or on behalf of either party hereto before any Governmental Authority or the staff or regulators of any Governmental Authority, in connection with the transactions contemplated hereunder shall be disclosed to the other party hereto hereunder in advance of any filing, submission or attendance (except to the extent such party has been advised by outside counsel that such disclosure could constitute a waiver of attorney client privilege), it being the intent that the parties hereto will consult and cooperate with one another, and consider in good faith the views of one another, in connection with any such analyses, appearances, meetings, discussions, presentations, memoranda, briefs, filings, arguments, and proposals. Each party hereto shall, to the extent not prohibited by applicable Law, give notice to the other party hereto with respect to any meeting, discussion, appearance or contact with any Governmental Authority or the staff or regulators of any Governmental Authority, with such notice being sufficient to provide the other party hereto with the opportunity to attend and participate in such meeting, discussion, appearance or contact.

7.02 Public Announcements. Prior to the Closing, except as required by Law, no party shall make, or cause to be made, any press release or public announcement concerning this Agreement or the transactions contemplated herein without the prior written consent of Acquiror and Seller; *provided, however*, that such restrictions shall not apply to any disclosure required by applicable Law. From and after the Closing Date, Acquiror and the Company shall be permitted to make such public releases and announcements regarding this Agreement and the transactions contemplated herein as Acquiror or the Company may determine in their discretion; *provided*, that prior to making any such public release or announcement, Acquiror or the Company (as applicable) shall consult with Seller regarding such public release or announcement and shall incorporate the reasonable comments of Seller in respect thereof. Seller and its Affiliates and Representatives may not make any public releases or other announcements concerning this Agreement or the transactions contemplated herein without Acquiror's prior written consent.

7.03 Form 8-K Filings. Seller, Acquiror, Parent and the Company shall cooperate in good faith with respect to the preparation of (a) a draft Form 8-K to be filed by Parent announcing the Closing, together with, or incorporating by reference, such information that is or may be required to be disclosed with respect to the transactions contemplated by this Agreement pursuant to Form 8-K (the "Transaction Form 8-K") and (b) any other filings required to be filed by Acquiror with the Securities and Exchange Commission with respect to the Transaction following the Closing. Prior to Closing, Seller, Acquiror, Parent, and the Company will mutually agree upon the press release announcing the consummation of the Transactions (the "Press Release"). Promptly following the Closing, Parent shall file the Transaction Form 8-K with the SEC and distribute the Press Release. Prior to such filing, Acquiror shall share a draft of the Transaction 8-K disclosure related to the Transactions, and will accept reasonable comments of Seller to the Transaction Form 8-K timely received by Acquiror prior to filing; *provided*, that the reasonableness of such comments shall be determined in the sole discretion of counsel to Parent.

7.04 Tax Matters.

(a) Transfer Taxes. Notwithstanding anything to the contrary contained herein, any transfer, documentary, sales, use, stamp, registration, value added or other similar Taxes incurred in connection with the Transactions (collectively, "Transfer Taxes") will be borne fifty percent (50%) by Seller and fifty percent (50%) by Acquiror. The party primarily responsible under applicable Law for the filing of any Tax Return in respect of such Transfer Taxes shall be responsible for the timely preparation and filing of any such Tax Return. The parties shall reasonably cooperate as necessary to enable the timely preparation and filing of such Tax Returns and mitigate any such Transfer Taxes.

(b) Tax Treatment. Acquiror, Seller and the Company intend that the Transaction shall be treated as an acquisition of all the stock of ICC and an acquisition of all the assets of the Company and its Subsidiaries, other than ICC, by Acquiror from Seller pursuant to Section 1001 of the Code. The parties hereto shall not take any position to the contrary except pursuant to a "determination" within the meaning of Section 1313(a) of the Code (or any comparable provision of state, local, or non-U.S. Tax Law). The parties hereto shall not treat Seller as having made any payment to Acquiror for applicable Tax purposes in exchange for Acquiror assuming any liabilities under this Agreement or in respect of deferred revenue or prepaid amounts of Seller under the principles of James M. Pierce Corp. v. Commissioner, 326 F.2d 67 (8th Cir. 1964), and the Allocation Statement determined hereunder shall be prepared in a manner consistent with such treatment.

(c) Purchase Price Allocation. The parties hereto acknowledge and agree that the Purchase Price (including, for the avoidance of doubt, any Earn-out Payment if and when paid, and any other amounts properly treated as taxable sale consideration for income Tax purposes) (the "Tax Purchase Price") shall be allocated for applicable income Tax purposes first to the stock of ICC in the amount of $400,000, with the balance allocated among the assets of the Company and its Subsidiaries, other than ICC, in the manner set forth on Exhibit 7.04(c) (the "Methodology"), which the parties agree has been prepared in accordance with Section 1060 of the Code and the Treasury Regulations thereunder. Within sixty (60) days following the Closing Date, Acquiror shall prepare and deliver to Seller an allocation of the Tax Purchase Price among the stock of ICC and the assets of the Company and its Subsidiaries, other than ICC, for purposes of Section 1060 of the Code in accordance with the Methodology (the "Allocation Statement"). The Allocation Statement delivered by Acquiror to Seller shall be deemed final unless Seller shall have notified Acquiror in writing of any disagreement with such allocation within thirty (30) days after delivery thereof by Acquiror (an "Objection Notice"). In the event of such disagreement, Acquiror and Seller shall use reasonable efforts to reach agreement on an allocation. In the event that Acquiror and Seller do not reach an agreement as to an allocation within thirty (30) days after Seller's delivery of an Objection Notice (or another time period mutually agreed upon by Acquiror and Seller), the parties will submit the disputed items to the Accounting Expert for resolution in a manner consistent with the Methodology and the principles set forth in Sections 3.05(c) and 3.05(d) (which shall apply *mutatis mutandis*, except that the parties shall take commercially reasonable efforts to require the Accounting Expert to resolve the dispute prior to the due date for filing any affected Tax Returns), and such determination will be binding on the parties. The fees and expenses of the Accounting Expert shall be allocated between the Seller and Acquiror in the manner set forth in Section 3.05(d). Any allocation finally agreed to by Acquiror and Seller, which is determined by such Accounting Expert, or which is deemed final pursuant to this Section 7.04(c) is the "Final Allocation." Acquiror and Seller and their Affiliates shall file Tax Returns (including, but not limited to, I.R.S. Form 8594) in all respects consistently with the Final Allocation. Neither Acquiror nor Seller shall take any income Tax position (whether in audits, Tax Returns, or otherwise) that is inconsistent with the Final Allocation, except to the extent required by a "determination" under Section 1313(a) of the Code (or any comparable provision of state, local, or non-U.S. Tax Law). Until the Final Allocation has occurred, Acquiror and Seller shall be under no obligation to report any disputed items consistently for income Tax purposes and Acquiror and Seller shall provide one another with any I.R.S. Form 8594 as filed by such party. If any Governmental Authority challenges the Final Allocation, the Person receiving notice of the challenge shall promptly provide notice to the other parties hereto.

(d) Tax Cooperation. Acquiror, the Company and its Subsidiaries, and Seller shall cooperate fully, as and to the extent reasonably requested by another party, in connection with the filing of Tax Returns and any audit, litigation or other proceeding with respect to Taxes, including cooperating in directing the Company's accounting firm with respect to such Tax Returns. Such cooperation shall include the retention and (upon the other party's request) the provision of records and information that are reasonably relevant to the preparation of any such Tax Return or any such audit, litigation or other proceeding and making employees (and other relevant personnel) available on a mutually convenient basis to provide additional information and explanation of any material provided hereunder. The party hereto requesting assistance pursuant to this Section 7.04(d) will reimburse the other party for any reasonable out-of-pocket costs associated therewith.

(e) Tax Sharing Agreements. All Tax Sharing Agreements involving any of the Company or its Subsidiaries shall be terminated as of the Closing Date and, after the Closing Date, neither the Company nor any of its Subsidiaries shall be bound thereby or have any liability thereunder.

(f) Tax Provisions Governing Tax Matters. To the extent of any conflict between the provisions of this Section 7.04 and the provisions of Article VIII, the provisions of this Section 7.04 shall govern with respect to Tax matters.

7.05 Tail Coverage. For a period of six (6) years following the date hereof, Acquiror shall cause the Company and each of its Subsidiaries to maintain tail coverage no less favorable (in terms of amount and scope) than the Tail Coverage in effect as of the date hereof and refrain from taking any act that would cause the Tail Coverage to cease to remain in full force and effect.

7.06 R&W Insurance. Acquiror shall obtain the R&W Policy to provide Acquiror with insurance coverage in respect of any inaccuracy or breach of any of the representations and warranties made by the Company contained herein. All R&W Policy Costs will be borne one hundred percent (100%) by Acquiror.

7.07 Management Options. At or promptly following the Closing, certain employees of the Company shall be granted options to purchase common stock of Parent, with an exercise price of $0.17 per share (the "Management Options"). The aggregate number of Management Options granted to such individuals shall be equal to One Million Dollars ($1,000,000), divided by the exercise price of $0.17, and the Management Options shall be granted pursuant to the terms and conditions of the Starco Brands, Inc. equity incentive plan then in effect. The Management Options shall be allocated among such individuals as determined by Acquiror.

7.08 Data Room. Within five Business Days after the Closing Date, Seller will provide Acquiror with an electronic copy of the contents of the electronic data room maintained by the Company and hosted by Datasite in connection with the transactions contemplated by this Agreement, as of the Closing Date and in a format determined by Seller.

7.09 Release.

(a) Effective as of the Closing, Seller, on behalf of itself and each of its Affiliates and their respective Related Parties (excluding the Company), hereby irrevocably and unconditionally releases and forever discharges Acquiror, Parent, the Company, and each of their respective Related Parties (collectively, the " Acquiror Released Parties") from any and all claims, demands, damages, debts, liabilities, obligations, costs, expenses, actions and causes of action of every kind and nature whatsoever, whether known or unknown, suspected or unsuspected, fixed or contingent, that Seller or any of their respective Affiliates has, had, or may have against any Acquiror Released Party arising out of or relating to any matter, cause or thing occurring at or prior to the Closing relating to the Company, the Business, or the transactions contemplated by this Agreement; provided, however, that this release shall not apply to (a) claims arising from Fraud, (b) claims arising under or to enforce any provision of this Agreement or any Ancillary Agreement, or (c) rights under Article VIII (Indemnification).

(b) Effective as of the Closing, each of Acquiror and Parent, on behalf of itself and each of its Affiliates (including, from and after the Closing, the Company) and their respective Related Parties, hereby irrevocably and unconditionally releases and forever discharges Seller and each of its Affiliates and their respective Related Parties (collectively, the "Seller Released Parties") from any and all claims, demands, damages, debts, liabilities, obligations, costs, expenses, actions and causes of action of every kind and nature whatsoever, whether known or unknown, suspected or unsuspected, fixed or contingent, that Acquiror, Parent, or any of their respective Affiliates (including, from and after the Closing, the Company) has, had, or may have against any Seller Released Party arising out of or relating to any matter, cause or thing occurring at or prior to the Closing relating to the Company, the Business, or the transactions contemplated by this Agreement; provided, however, that this release shall not apply to (a) claims arising from Fraud, (b) claims arising under or to enforce any provision of this Agreement or any Ancillary Agreement, (c) rights under Article VIII (Indemnification), or (d) rights of Acquiror under the R&W Policy against the insurer(s) thereunder.

(c) Each of Acquiror, Parent, the Company and Seller acknowledges that it may hereafter discover claims presently unknown or unsuspected, or facts in addition to or different from those which it now knows or believes to be true, and such party expressly agrees that their respective releases set forth in this Section 7.09 shall be and remain in effect notwithstanding the discovery or existence of any such additional or different claims or facts. For the purpose of implementing a full and complete release, each such party understands and agrees that the releases set forth in this Section 7.09 are intended to include all claims, if any, which such party may have and which such party does not now know or suspect to exist in its favor against the Seller Released Parties or Acquiror Released Parties (as applicable) and that such releases extinguish those claims. Accordingly, each such party (on behalf of itself and each of its Affiliates) expressly waives all rights afforded by Section 1542 of the Civil Code of the State of California ("Section 1542") and any similar statute or regulation in any other applicable jurisdiction. Section 1542 states as follows:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

7.10 Wrong Pockets; Books and Records.

(a) Promptly after or effective as of the Closing, Seller shall transfer to the Company Entities any books and records related to the Business or the Company Entities that are in the possession of the Seller or any of its Affiliates (including personnel files).

(b) Following the Closing Date, and subject to the other provisions of this Agreement:

(i) (A) if Seller identifies any books and records in respect of the Business that were not transferred to the Company Entities prior to the Closing, then Seller shall promptly notify Acquiror and, upon Acquiror's request, Seller shall (and shall cause its Affiliates to) promptly transfer or cause the transfer of such books and records to the Company Entities as directed by Acquiror; and (B) if Seller or any of its Affiliates receives or identifies any mail, packages or other correspondence or communications, or receives or identifies any monies or checks or other funds or proceeds relating to the Company Entities or the Business, Seller shall promptly notify Acquiror thereof and remit such mail, packages, correspondence, communications, monies, receivables, funds or proceeds to the Company Entities; and

(ii) (A) if Acquiror or any Company Entity identifies any books, records, assets or properties in its possession that do not relate to the Business or the Company Entities and that belong to Seller or any of its Affiliates, then Acquiror shall promptly notify Seller and, upon Seller's request, Acquiror shall (and shall cause the Company Entities to) promptly transfer or cause the transfer of such books, records, assets or properties to Seller as directed by Seller; and (B) if Acquiror or any Company Entity receives or identifies any mail, packages or other correspondence or communications, or receives or identifies any monies or checks or other funds or proceeds relating to Seller or any of its Affiliates (other than the Company Entities) or their respective businesses, properties or assets (other than those of the Company Entities), Acquiror shall promptly notify Seller thereof and remit such mail, packages, correspondence, communications, monies, receivables, funds or proceeds to Seller.

7.11 Confidentiality.

(a) From and after the Closing, Seller shall, and shall cause its Affiliates to, hold, and shall use its commercially reasonable efforts to cause its or their respective Representatives to hold, in confidence any and all information, whether written or oral, concerning the Company Entities or this Agreement (including the Purchase Price) or the transactions contemplated hereby or thereby, except to the extent that Seller can show that such information is generally available to and known by the public through no fault of Seller or any of its Affiliates or Representatives. If Seller or any of its Affiliates or Representatives are compelled to disclose any information by judicial or administrative process or by other requirements of Law, the same shall promptly notify Acquiror in writing and shall disclose only that portion of such information which Seller or any of its Affiliates or Representatives, as the case may be, is advised by their counsel in writing is legally required to be disclosed, *provided* that Seller or any of its Affiliates or Representatives, as the case maybe, shall, upon request, use commercially reasonable efforts to obtain an appropriate protective order or other reasonable assurance that confidential treatment will be accorded such information at the sole cost and expense of Acquiror.

(b) Without limiting Section 9.11, Parent, Acquiror, the Company and Seller each hereby acknowledge and agree that a breach or threatened breach of this Section 7.11 by any party hereto would give rise to irreparable harm to the other party(ies), for which monetary damages would not be an adequate remedy, and hereby agree that in the event of any such breach or threatened breach, the other party shall, in addition to any and all other rights and remedies that may be available to it in respect of such breach, be entitled to equitable relief, including a temporary restraining order, an injunction, specific performance and any other relief that may be available from a court of competent jurisdiction (without any requirement to post bond).

ARTICLE VIII
INDEMNIFICATION

8.01 Survival. The representations and warranties of the Company and the Seller contained in this Agreement shall survive the Closing solely for purposes of claims under the R&W Policy, and shall not survive with respect to any direct claims for indemnification against Seller (other than claims based upon Fraud, which shall survive for the applicable statute of limitations). The representations and warranties of Acquiror and Parent contained in this Agreement shall survive the Closing for a period of twelve (12) months after the Closing Date, solely for purposes of claims for indemnification by Seller under Section 8.03(a). All covenants and agreements of the parties contained in this Agreement will survive the Closing until the date by which such covenant or agreement is required to be performed and, if no term is specified, until the expiration of the statute of limitations applicable to the subject matter thereof. It is the express intent of the parties that, if an applicable survival period as contemplated by this Article VIII is shorter or longer than the statute of limitations that would otherwise apply, then, by contract, the applicable statute of limitations shall be modified to the survival period contemplated hereby. The parties further acknowledge that the time periods set forth in this Article VIII for the assertion of indemnification under this Agreement are the result of arms'-length negotiation among the parties and that they intend for the time periods to be enforced as agreed by the parties. Notwithstanding the foregoing, the parties agree that claims made under the R&W Policy are not subject to the survival limitations contained in this Section 8.01 solely for purposes of the R&W Policy.

8.02 Indemnification By Seller. Subject to the other terms and conditions of this Article VIII, Seller agrees unconditionally to indemnify and defend Acquiror, Parent and each of their Affiliates (including the Company) and their respective Representatives (collectively, the "Acquiror Indemnitees") against, and shall hold each of them harmless from and against, and shall pay and reimburse each of them for, any and all Losses incurred or sustained by, or imposed upon, the Acquiror Indemnitees based upon, arising out of, with respect to or by reason of (whether pursuant to a claim by a Seller Indemnitee directly or by a third party):

(a) any breach or failure to perform, comply with or observe any covenant, agreement or obligation to be performed by Seller pursuant to this Agreement or in any certificate or instrument delivered by or on behalf of the Seller pursuant to this Agreement;

(b) Fraud of Seller;

(c) Indebtedness not included in the Closing Date Indebtedness Statement set forth on Exhibit 3.02(a) and paid at Closing; or

(d) Change of Control Payments and Company Transaction Expenses not included in the Closing Date Expense Statement set forth on Exhibit 3.02(b) and paid at Closing.

8.03 Indemnification By Acquiror. Subject to the other terms and conditions of this Article VIII, from and after the Closing, Acquiror agrees unconditionally to indemnify and defend Seller and its Representatives (collectively, the "Seller Indemnitees") against, and shall hold each of them harmless from and against, and shall pay and reimburse each of them for, any and all Losses incurred or sustained by, or imposed upon, the Seller Indemnitees based upon, arising out of, with respect to or by reason of (whether pursuant to a claim by a Seller Indemnitee directly or by a third party):

(a) any inaccuracy in or breach of any of the representations or warranties of Acquiror or Parent contained in this Agreement;

(b) any breach or failure to perform, comply with or observe any covenant, agreement or obligation to be performed by Acquiror or Parent pursuant to this Agreement or in any certificate or instrument delivered by or on behalf of the Acquiror or Parent pursuant to this Agreement; or

(c) Fraud of Acquiror.

8.04 Certain Limitations. The indemnification provided for in Section 8.02 and Section 8.03 shall be subject to the following limitations:

(a) The aggregate amount of all Losses for which Seller shall be liable pursuant to Section 8.02(a) shall not exceed one (1) times the total amount of the Purchase Price actually received by Seller (the "Cap"). Notwithstanding the foregoing, the Cap shall not apply to Losses based upon, arising out of, with respect to or by reason of Fraud.

(b) For purposes of determining whether any inaccuracy or breach has occurred hereunder and calculating the Losses arising out of or related to such inaccuracy or breach, in each case, without giving effect to materiality, Seller Material Adverse Effect, Acquiror Material Adverse Effect, or any similar standard or qualification included therein (other than the representation and warranty set forth in Section 4.20(a), to which this Section 8.04(a) shall not apply).

(c) The R&W Policy shall be Acquiror's sole source of recovery for any inaccuracy in or breach of any of the representations or warranties of the Company or the Seller contained in this Agreement, except in the case of Fraud; provided that nothing in this Section 8.04(c) shall limit any Acquiror Indemnitee's right to seek Losses under any applicable provision of Section 8.02.

(d) The aggregate amount of all Losses for which Acquiror and Parent shall be liable pursuant to Section 8.03(a) shall not exceed the Cap. Notwithstanding the foregoing, the Cap shall not apply to Losses based upon, arising out of, with respect to or by reason of Fraud.

(e) Seller agrees that it will not seek, nor will it be entitled to, reimbursement or contribution from, subrogation to, indemnification or right of advancement from the Acquiror or any Acquiror Indemnitee (including after the Closing, the Company or any of its Subsidiaries), under their Organizational Documents, this Agreement, applicable corporate legal requirements or other legal requirements or otherwise, in respect of any amounts due from Seller to any Loss claimed by an Acquiror Indemnitee under this Article VIII or otherwise in connection with this Agreement. Seller further agrees not to make any claims against any directors and officers insurance policy maintained or to be maintained by or for the benefit of the Company or any of its Subsidiaries in respect of amounts due by Seller to any Acquiror Indemnitee under this Article VIII or otherwise in connection with this Agreement. For the avoidance of doubt, the foregoing does not limit claims a Person may have against the Tail Coverage.

8.05 Indemnification Procedures. The party making a claim under this Article VIII is referred to as the "Indemnified Party", and the party against whom such claims are asserted under this Article VIII is referred to as the "Indemnifying Party".

(a) Notice of Claim. An Indemnified Party shall provide the Indemnifying Party, or the Seller if applicable, with written notice of any actual or potential Losses in respect of which indemnification may be sought under this Article VIII (a "Claim Notice") promptly after the Indemnified Party becomes aware of such Losses. Such Claim Notice shall describe the actual or potential Losses, to the Indemnified Party's knowledge, in reasonable detail based on the information then reasonably available, shall include copies of all material written evidence thereof and shall indicate the estimated amount, if reasonably practicable, of the Losses that has been or may be sustained by the Indemnified Party. The Indemnifying Party acknowledges that the Indemnified Party may have incomplete knowledge of an Action or the associated Losses or of the facts and circumstances underlying such Action or Losses at the time that a Claim Notice in connection therewith is delivered to the Indemnifying Party and that any Claim Notice provided hereunder may reflect such incomplete knowledge. Any information provided to the Indemnifying Party in connection with a Claim Notice is disclosed solely for purposes of making a claim for indemnification under this Agreement, and no information so disclosed shall be deemed to be an admission by any Indemnified Party to any third party of any manner whatsoever, including of any violation of Law or breach of any agreement. With respect to any documents or information that are protected by the attorney-client privilege, work product doctrine, or other privileges, the Indemnifying Party shall cooperate in good faith with the Indemnified Party to preserve the privileged status of any such document or information. Without limiting any of the foregoing cooperation obligations of the Indemnifying Party or Indemnified Party, nothing in this Agreement shall be construed to require the waiver of any Fifth Amendment or similar protection or require any action that could reasonably be expected to cause the loss of the attorney-client privilege, work-product doctrine, or other privileges as to any document, information, or communication. Any deficiency in the timeliness of the Claim Notice, or substance of the information or detail conveyed, shall not relieve the Indemnifying Party of its obligations under this Agreement, except to the extent that the Indemnifying Party has been actually and materially prejudiced by the deficiency, and only to the extent of such prejudice, so long as any such Claim Notice is provided during the applicable survival period set forth in Section 8.01.

(b) Third-Party Claims. If any Claim Notice is in respect of any actual or potential Losses made or brought by any Person who is not a party to this Agreement or an Affiliate of a party to this Agreement or a Representative of the foregoing (a "Third-Party Claim") against such Indemnified Party, the Indemnifying Party shall have the right to participate in, or assume, the defense of such Third-Party Claim at the Indemnifying Party's expense and by the Indemnifying Party's own counsel, and the Indemnified Party shall cooperate in good faith in such defense; *provided,* that if the Indemnifying Party consists of Seller, such Indemnifying Party shall not have the right to defend or direct the defense of any such Third-Party Claim that (A) involves a Governmental Authority, (B) involves criminal liability, (C) is asserted directly by or on behalf of a Person that is a material supplier, material customer or material vendor of Acquiror or the Company (post-Closing), or (D) seeks an injunction or other equitable relief against the Indemnified Party, and in such circumstances the Indemnifying Party shall be liable for the reasonable fees and expenses of counsel to the Indemnified Party in each jurisdiction for which the Indemnified Party determines counsel is required. In the event that the Indemnifying Party assumes the defense of any Third-Party Claim, subject to Section 8.05(c), it shall have the right to take such action as it deems necessary to avoid, dispute, defend, appeal or make counterclaims pertaining to any such Third-Party Claim in the name and on behalf of the Indemnified Party. The Indemnified Party shall have the right to participate in the defense of any Third-Party Claim with counsel selected by it subject to the Indemnifying Party's right to control the defense thereof. The fees and disbursements of such counsel shall be at the expense of the Indemnified Party, *provided,* that if in the reasonable opinion of counsel to the Indemnified Party, (X) there are legal defenses available to an Indemnified Party that are different from or additional to those available to the Indemnifying Party, or (Y) there exists a conflict of interest between the Indemnifying Party and the Indemnified Party, the Indemnifying Party shall be liable for the reasonable fees and expenses of counsel to the Indemnified Party in each jurisdiction for which the Indemnified Party determines counsel is required; *provided, however*, that the Indemnifying Party shall not be required to pay for more than one such counsel for all Indemnified Parties in connection with any Third-Party Claim. If, within the applicable twenty (20) day period, the Indemnifying Party (AA) elects not to compromise or defend such Third-Party Claim, (BB) fails to notify the Indemnified Party in writing of its election to defend as provided in this Agreement, or (CC) fails to diligently prosecute the defense of such Third-Party Claim, then in any case the Indemnified Party may, subject to Section 8.05(c), pay, compromise and defend such Third-Party Claim and seek indemnification for any and all Losses based upon, arising from or relating to such Third-Party Claim. The Indemnifying Party and the Indemnified Party shall cooperate with each other in all reasonable respects in connection with the defense of any Third-Party Claim, including making available records relating to such Third-Party Claim and furnishing, without expense (other than reimbursement of actual out-of-pocket expenses) to the defending party, management employees of the non-defending party as may be reasonably necessary for the preparation of the defense of such Third-Party Claim.

(c) Settlement of Third-Party Claims. Notwithstanding any other provision of this Agreement, the Indemnifying Party shall not enter into settlement of any Third-Party Claim without the prior written consent of the Indemnified Party, except as provided in this Section 8.05(c). If a firm offer is made to settle a Third-Party Claim without leading to liability or the creation of a financial or other obligation on the part of the Indemnified Party and provides, in customary form, for the unconditional release of each Indemnified Party from all liabilities and obligations in connection with such Third-Party Claim and the Indemnifying Party desires to accept and agree to such offer, the Indemnifying Party shall give written notice to that effect to the Indemnified Party. If the Indemnified Party fails to consent to such firm offer within ten (10) days after its receipt of such notice, the Indemnified Party may continue to contest or defend such Third-Party Claim and in such event, the maximum liability of the Indemnifying Party as to such Third-Party Claim shall not exceed the amount of such settlement offer. If the Indemnified Party fails to consent to such firm offer and also fails to assume defense of such Third-Party Claim, the Indemnifying Party may settle the Third-Party Claim upon the terms set forth in such firm offer to settle such Third-Party Claim. If the Indemnified Party has assumed the defense pursuant to Section 8.05(b), it shall not agree to any settlement without the written consent of the Indemnifying Party (which consent shall not be unreasonably withheld or delayed).

(d) Direct Claims. If any Claim Notice is in respect of any actual or potential Losses by an Indemnified Party on account of Losses which do not result from a Third-Party Claim (a "Direct Claim"), the Indemnifying Party shall have thirty (30) days after its receipt of such Claim Notice to respond in writing to such Direct Claim. The Indemnified Party shall allow the Indemnifying Party and its professional advisors to investigate the matter or circumstance alleged to give rise to the Direct Claim, and whether and to what extent any amount is payable in respect of the Direct Claim and the Indemnified Party shall assist the Indemnifying Party's investigation by giving such information and assistance (including access to the Indemnified Party's premises and personnel and the right to examine and copy any accounts, documents or records) as the Indemnifying Party or any of its professional advisors may reasonably request. If the Indemnifying Party does not so respond within such 30-day period, the Indemnifying Party shall be deemed to have rejected such Direct Claim, in which case the Indemnified Party shall be free to pursue such remedies as may be available to the Indemnified Party on the terms and subject to the provisions of this Agreement.

8.06 Tax Treatment of Indemnification Payments. All indemnification payments made under this Agreement shall be treated by the parties as an adjustment to the Purchase Price for Tax purposes, unless otherwise required by Law.

8.07 Effect of Investigation. Solely for purposes of claims made against the R&W Policy, representations, warranties and covenants of the Indemnifying Party, and the Indemnified Party's right to indemnification with respect thereto, shall not be affected or deemed waived by reason of any investigation made by or on behalf of the Indemnified Party (including by any of its Representatives) or by reason of the fact that the Indemnified Party or any of its Representatives knew or should have known that any such representation or warranty is, was or might be inaccurate, and the Indemnified Party shall be deemed to have reasonably relied upon the representation, warranty or covenant notwithstanding such knowledge.

8.08 Setoff. Notwithstanding anything to the contrary in this Agreement, and without prejudice to any other right or remedy Acquiror has or may have, upon a final determination by a court of competent jurisdiction that Seller is required to make any payment or indemnification to Acquiror (or any of the Acquiror Indemnitees) pursuant to this Agreement, such payment or indemnification may be satisfied (at Acquiror's sole election) by offsetting the amount of such payment or indemnification against any amounts payable by Acquiror or the Company Entities to any other parties hereunder. For the sake of clarity and the avoidance of doubt, any such setoff amount shall be retained by and for the account of Acquiror.

8.09 Exclusive Remedies. Subject to Sections 3.05, 7.04(c), and 9.11, the parties acknowledge and agree that their sole and exclusive remedy with respect to any and all claims (other than claims arising from Fraud) for any breach of any representation, warranty, covenant, agreement or obligation set forth herein or otherwise relating to the subject matter of this Agreement (but excluding the other Ancillary Agreements, which have the remedies specified therein), shall be pursuant to this Article VIII. Nothing in this Agreement shall limit any Person's right (A) with respect to any claims made by Acquiror or Parent under the R&W Policy against the insurer thereunder, (B) to seek and obtain any injunctive or other equitable relief to which any Person shall be entitled (under this Agreement or otherwise) or (C) to seek any remedy on account of any party's Fraud.

ARTICLE IX
MISCELLANEOUS

9.01 Notices.

All notices and other communications among the parties shall be in writing and shall be deemed to have been duly given (i) when delivered in person, (ii) when delivered after posting in the United States mail having been sent registered or certified mail return receipt requested, postage prepaid, (iii) when delivered by FedEx (or other nationally recognized overnight delivery service) or (iv) when e-mailed, addressed as follows:

(a) If to Acquiror, to:

Starco Brands, Inc.
250 26th Street, Suite 200
Santa Monica, CA 90402
Attention: Ross Sklar
Email: Ross@thestarcogroup.com

with a copy (which shall not constitute notice) to:

Sklar Kirsh LLP
1850 Sawtelle Blvd., Suite 300
Los Angeles, CA 90025
Attention: Scott Ehrlich; Jeff Sklar
Email: sehrlich@sklarkirsh.com; jsklar@sklarkirsh.com

(b) If to the Company to:

Starco Brands, Inc.

250 26th Street, Suite 200
Santa Monica, CA 90402
Attention: Ross Sklar
Email: Ross@thestarcogroup.com

with a copy (which shall not constitute notice) to:

Sklar Kirsh LLP
1850 Sawtelle Blvd., Suite 300
Los Angeles, CA 90025
Attention: Scott Ehrlich; Jeff Sklar
Email: sehrlich@sklarkirsh.com; jsklar@sklarkirsh.com

(c) If to Seller, to:

Custom Foods Holdings, LLC
c/o LBC Small Cap SBIC, L.P.
555 East Lancaster Avenue, Suite 450
Radnor, PA
Attention: Rocco Christino
Email: rchristino@cifc.com

with a copy (which shall not constitute notice) to:

Holland & Knight LLP
511 Union Street, Suite 2700
Nashville, TN 37219
Attention: Joshua E. Porte
Email: josh.porte@hklaw.com

and:

Holland & Knight LLP
10 St. James Avenue, 11th Floor
Boston, MA 02116
Attention: Rebecca Waltuch
Email: rebecca.waltuch@hklaw.com

or to such other address or addresses as the parties may from time to time designate in writing.

9.02 Annexes, Exhibits and Schedules. All annexes, exhibits and schedules attached hereto, including the Schedules, are hereby incorporated in and made a part of this Agreement as if set forth in full herein. The Schedules shall be arranged in separate parts corresponding to the numbered and lettered sections and subsections contained in this Agreement, and the information disclosed in any numbered or lettered part shall be deemed to relate to and to qualify the representation or warranty set forth in the corresponding numbered or lettered Section or subsection of this Agreement, as well as (a) any other representation or warranty where such information is cross-referenced in the applicable part of the Schedules; or (b) any other representation or warranty where it is reasonably apparent on the face of the disclosure (without reference to any document referred to therein) that such information qualifies such other representation and warranty of the Company or Acquiror, as applicable, in this Agreement.

9.03 Expenses. Except as otherwise provided herein, each party hereto shall pay its own expenses incident to this Agreement and the transactions contemplated herein.

9.04 Assignment; Successors and Assigns; No Third-Party Rights. Except as otherwise provided herein, this Agreement may not, without the prior written consent of the other parties hereto, be assigned by operation of Law or otherwise, and any attempted assignment shall be null and void. Subject to the foregoing, this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, successors, permitted assigns and legal representatives. Except for as provided in Section 7.09, Article VIII, and as set forth in Section 9.14, this Agreement is for the sole benefit of the parties and their respective successors and permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other Person any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement. Notwithstanding the foregoing, Acquiror may assign this Agreement without the consent of any Person to any lender (or agent therefor) to Acquiror or their subsidiaries or Affiliates thereof as security for obligations to such lender (or lenders) in respect of any financing agreements or arrangements entered into by Acquiror or its Subsidiaries and Affiliates with such lenders or to an acquirer of all or substantially all of the assets or business of Acquiror in any form of transaction, which assignment shall not relieve Acquiror of its obligations hereunder.

9.05 Governing Law; Jurisdiction. This Agreement, the rights and duties of the parties hereto, and any disputes (whether in contract, tort or statute) arising out of, under or in connection with this Agreement will be governed by and construed and enforced in accordance with the Laws of the State of Delaware, without giving effect to any principles or rules of conflict of Laws to the extent such principles or rules would require or permit the application of the Laws of another jurisdiction. Each of the parties hereto hereby irrevocably and unconditionally (i) submits, for itself and its property, to the exclusive jurisdiction of the Delaware Court of Chancery, and any appellate court from any thereof, in any Action arising out of or relating to this Agreement or the negotiation, execution or performance of this Agreement (including any Action based upon, arising out of or related to any representation or warranty made in or in connection with this Agreement), or for recognition or enforcement of any judgment, and agrees that all claims in respect of any such Actions shall be heard and determined in such Delaware Court of Chancery, (ii) waives, to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any Action arising out of or relating to this Agreement or the negotiation, execution or performance of this Agreement (including any Action based upon, arising out of or related to any representation or warranty made in or in connection with this Agreement) in the Delaware Court of Chancery, (iii) waives, to the fullest extent permitted by Law, the defense of an inconvenient forum to the maintenance of such Action in any such court and (iv) agrees that a final judgment in any such Action shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by Law. Each of the parties hereto agrees that service of process, summons, notice or document by registered mail addressed to it at the applicable address in Section 10.02 shall be effective service of process for any Action brought in any such court or in such other manner as may be permitted by Law, will be valid and sufficient service thereof.

9.06 Waiver of Jury Trial. To the extent not prohibited by applicable Law that cannot be waived, each of the parties hereto irrevocably waives any right it may have to trial by jury in respect of any litigation based on, arising out of, under or in connection with this Agreement, including but not limited to any course of conduct, course of dealing, verbal or written statement or action of any party hereto.

9.07 Titles and Headings. The titles, captions and table of contents in this Agreement are for reference purposes only, and shall not in any way define, limit, extend or describe the scope of this Agreement or otherwise affect the meaning or interpretation of this Agreement.

9.08 Counterparts. This Agreement may be executed in two or more counterparts for the convenience of the parties hereto, each of which shall be deemed an original and all of which together will constitute one and the same instrument. Delivery of an executed counterpart of a signature page, including any electronic signature complying with the U.S. federal ESIGN Act of 2000, the Uniform Electronic Transactions Act or other applicable law to this Agreement by facsimile or by e-mail in “portable document format” shall be effective as delivery of a mutually executed counterpart to this Agreement.

9.09 Entire Agreement. Except as otherwise contemplated herein, this Agreement and the Ancillary Agreements constitute the entire agreement with respect to the subject matter contained herein and therein, and supersede all prior agreements and understandings, both written and oral, with respect to such subject matter, including the Letter of Intent and the Non-Disclosure Agreement, which are hereby terminated and of no further force and effect. In the event of any inconsistency between the statements in the body of this Agreement and those in the Ancillary Agreements, the Exhibits and the Schedules (other than an exception expressly set forth as such in the Schedules), the statements in the body of this Agreement shall control.

9.10 Severability. If any provision of this Agreement is held invalid or unenforceable by any court of competent jurisdiction, the other provisions of this Agreement shall remain in full force and effect. The parties further agree that if any provision contained herein is, to any extent, held invalid or unenforceable in any respect under the Laws governing this Agreement, they shall take any actions necessary to render the remaining provisions of this Agreement valid and enforceable to the fullest extent permitted by Law and, to the extent necessary, shall amend or otherwise modify this Agreement to replace any provision contained herein that is held invalid or unenforceable with a valid and enforceable provision giving effect to the intent of the parties.

9.11 Specific Performance. The parties hereto agree that irreparable damage would occur if any provision of this Agreement were not performed in accordance with the terms hereof and it is accordingly agreed that the parties hereto will be entitled to an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions of this Agreement in any court specified in Section 9.05, in addition to any other remedy to which they are entitled at Law or in equity. Each of the parties hereto agrees that it will not oppose the granting of an injunction, specific performance and other equitable relief as provided herein on the basis that (x) any party hereto has an adequate remedy at Law or (y) an award of specific performance is not an appropriate remedy for any reason at Law or equity. Each party hereto further agrees that no party hereto shall be required to obtain, furnish or post any bond or similar instrument in connection with or as a condition to obtain any remedy referred to in this Section 9.11, and each party hereto irrevocably waives any right it may have to require the obtaining, furnishing or posting of any such bond or similar instrument.

9.12 Amendments. This Agreement may be amended, modified or supplemented at any time only by the written agreement of Seller, Acquiror and Parent.

9.13 Waiver. Any party hereto may (i) extend the time for the performance of any of the obligations or other acts of the other parties hereto, (ii) waive any inaccuracies in the representations and warranties contained herein or in any document delivered pursuant hereto, or (iii) waive compliance with any of the agreements, terms or conditions contained herein. Any such extension or waiver shall be valid only if set forth in a written instrument signed on behalf of such party, but such extension or waiver or failure to insist on strict compliance with an obligation, covenant, agreement or condition shall not operate as a waiver of, or estoppel with respect to, any subsequent or other failure.

9.14 No Recourse. Notwithstanding anything that may be expressed or implied in this Agreement, this Agreement may only be enforced against, and any claim or cause of action based upon, arising out of, or related to this Agreement or the transactions contemplated hereby may only be brought against, the entities that are expressly named as parties hereto, and then only with respect to the specific obligations set forth herein with respect to such party. Except to the extent a named party to this Agreement (and then only to the extent of the specific obligations undertaken by such named party in this Agreement, including the guaranty obligations of Parent), (a) no past, present or future director, officer, employee, incorporator, member, partner, stockholder, Affiliate, agent, attorney, advisor or representative or Affiliate of any named party to this Agreement and (b) no past, present or future director, officer, employee, incorporator, member, partner, stockholder, Affiliate, agent, attorney, advisor or representative or Affiliate of any of the foregoing shall have any liability (whether in contract, tort, equity or otherwise) for any one or more of the representations, warranties, covenants, agreements or other obligations or liabilities of any one or more of the Company, Acquiror or Parent under this Agreement of or for any claim based on, arising out of, or related to this Agreement or the transactions contemplated hereby. The provisions of this Section 9.14 are intended to be for the benefit of, and enforceable by the Related Parties of the parties hereto and each such Person shall be a third-party beneficiary of this Section 9.14. This Section 9.14 shall be binding on all successors and assigns of parties hereto.

[*Signature Page Follows*]

IN WITNESS WHEREOF, Parent, Acquiror, the Company, and Seller have caused this Agreement to be executed and delivered as of the date first written above by their respective officers thereunto duly authorized.

PARENT:

STARCO BRANDS, INC.

By: */s/ Ross Sklar*
Name: Ross Sklar
Title: Chief Executive Officer

ACQUIROR:

STARCO MANUFACTURING, LLC

By: STARCO BRANDS, INC.
Its Sole Member

By: */s/ Ross Sklar*
Name: Ross Sklar
Title: Chief Executive Officer

COMPANY:

CUSTOM FOODS, LLC

By: */s/ Paul Nelson*
Name: Paul Nelson
Title: President

SELLER:

CUSTOM FOODS HOLDINGS, LLC

By: */s/ Paul Nelson*
Name: Paul Nelson
Title: President

[*Signature Page to Membership Interest Purchase Agreement*]

Exhibit 10.1

Execution Version

LOAN AGREEMENT

($11,000,000 Term Loan, $4,000,000 Accordion, *and* $3,000,000 Line of Credit)

THIS LOAN AGREEMENT (this "Agreement") is made effective as July 15, 2026 (the "Effective Date"), by and among PASADENA PRIVATE LENDING INC., a Delaware corporation (together with its successors and assigns, "Lender"), STARCO BRANDS, INC., an Nevada corporation ("Starco"), STARCO BRANDS, LLC, a Nevada limited liability company ("Starco Brands"), STARCO MANUFACTURING, LLC, a Nevada limited liability company ("Starco Manufacturing"), THE AOS GROUP INC., a Delaware corporation ("AOS"), SOYLENT NUTRITION, INC., a Delaware corporation ("Soylent"), SKYLAR BODY, LLC, a Delaware limited liability company ("Skylar"), WHIPSHOTS, LLC, a Wyoming limited liability company ("Whipshots"), WHIPSHOTS HOLDINGS, LLC, a Delaware limited liability company ("Whipshots Holdings" and, together with Starco, Starco Brands, Starco Manufacturing, AOS, Soylent, Skylar, Whipshots and each Additional Borrower, each, jointly and severally, collectively, "Borrowers" and, each individually, a "Borrower"), ROSS SKLAR, an individual residing in the State of California ("Individual Guarantor"), [REDACTED] IRREVOCABLE TRUST, a trust organized and existing under the laws of the State of California ("[REDACTED] Trust"), [REDACTED] IRREVOCABLE TRUST, a trust organized and existing under the laws of the State of California ("[REDACTED] Trust"), [REDACTED] IRREVOCABLE TRUST, a trust organized and existing under the laws of the State of California ("[REDACTED] Trust"), [REDACTED] TRUST, a trust organized and existing under the laws of the State of California ("Family Trust" and together with [REDACTED] Trust, the "Trust Guarantors" and, together with the Individual Guarantor, the "Guarantors"), with respect to the following:

1. DEFINITIONS. As used in this Agreement, the following definitions shall apply:

"Accordion Effective Date" has the meaning given to such term in Section 2(b).

"Accordion Notice" has the meaning given to such term in Section 2(b).

"Accordion Term Loans" has the meaning given to such term in Section 2(b).

"Accordion Term Note" has the meaning given to such term in Section 2(b).

"Additional Borrower Joinder Agreement" means an Additional Borrower Joinder Agreement in the form of **Exhibit H** hereto or such other form as Lender may permit in its discretion.

"Additional Borrowers" means, collectively, Custom Foods, ICC, SFB AcqCo, each other Person that becomes a Borrower after the Effective Date pursuant to Section 5(m), and "Additional Borrower" means each of the Additional Borrowers, individually.

"Affiliate" means, as to any Person, any other Person that (i) owns directly or indirectly ten percent (10%) or more of all Equity Interests in such Person, or (ii) controls, is controlled by or is under common control with such Person.

"Agreement" has the meaning given to such term in the preamble hereto.

"AOS" has the meaning given to such term in the preamble hereto.

"Bankruptcy Code" means Title 11 of the United States Code, as amended.

"Basis Point" means one one-hundredth of one percent (0.01%).

"Borrowers" has the meaning given to such term in the preamble hereto.

"Business Day" means any day other than Saturday, Sunday and any day which is a legal holiday in the State of California.

"Collateral" means the Personal Property Collateral and the Pledged Collateral.

"Collateral Assignment of Acquisition Documents" means the Collateral Assignment of Acquisition Documents, dated as of the Custom Foods Acquisition Effective Date, executed by Starco Manufacturing in favor of Lender in connection with this Agreement, as the same may be amended, modified, supplemented or restated from time to time.

"Collateral Assignment of RWI Policy" means the Collateral Assignment of Representations and Warranties Insurance Policy, dated as of the Custom Foods Acquisition Effective Date, executed by Starco Manufacturing, the Seller and insurer under the Custom Foods RWI Policy in favor of Lender in connection with this Agreement, as the same may be amended, modified, supplemented or restated from time to time.

"Custom Foods" means Custom Foods, LLC, a Delaware limited liability company.

"Custom Foods Acquisition" means the acquisition by Starco Manufacturing of all of the issued and outstanding limited liability company interests of Custom Foods, pursuant to the terms of the Custom Foods Purchase Agreement.

"Custom Foods Acquisition Effective Date" means the Closing Date under and as defined in the Custom Foods Purchase Agreement.

"Custom Foods Earnout" means the earn-out payments payable to Custom Foods Holdings under Section 3.05 of the Custom Foods Purchase Agreement.

"Custom Foods Earnout Subordination Agreement" means the Earnout Subordination Agreement, dated as of the Custom Foods Acquisition Effective Date, executed by Starco Manufacturing and [the Seller] in favor of Lender in connection with this Agreement, as the same may be amended, modified, supplemented or restated from time to time.

"Custom Foods Holdings" means Custom Foods Holdings, LLC, a Delaware limited liability company.

"Custom Foods Purchase Agreement" means the Membership Interest Purchase Agreement, dated as of July 15, 2026, by and among Starco, Starco Manufacturing, Custom Foods, and Custom Foods Holdings, as may be amended or otherwise modified in accordance with the terms of this Agreement.

"Custom Foods RWI Policy" means the representations and warranties insurance policy obtained in connection with the Custom Foods Acquisition.

"Debt" means the outstanding principal amounts of the Loans and the Junior Debt together with all accrued and unpaid interest thereon and all other sums due to Lender or any Junior Debt holder(s) with respect to the same.

"Default" shall mean any condition or event which with the giving of notice or lapse of time or both would, unless cured or waived, become an Event of Default.

"Draw Period" means the period commencing on the Effective Date and terminating on the earliest to occur of: (a) 1:00 p.m. Los Angeles, California time on the twenty-four (24) month anniversary of the Effective Date, as such date may be extended at the Lender's election, and (b) the date of the occurrence of an Event of Default, unless otherwise agreed to by Lender in its sole discretion.

"Draw Request" has the meaning given to such term in Section 2(c)(ii).

"EBITDA" means, with respect to any period, the net income (or loss) for that period, plus interest expense for that period, plus federal, state, and local income taxes, if any, for that period, plus depreciation and amortization charges for that period, plus any non-cash compensation charges for such period, plus any owner compensation in excess of $250,000, plus any other non-cash charges incurred for such period, plus (x) any pro forma adjustments in such period for performance improvement measures, plus (y) any pro forma synergies in such period from acquisitions; provided, however, that in respect of clauses (x) and (y) above (i) such amounts shall calculated net of the amount of actual benefits realized prior to or during such period from such actions, and (ii) a responsible officer of the Borrowers shall certify to the Lender that such pro forma amounts are factually supportable, reasonably identifiable, reasonably attributable to the actions specified and expected to have a continuing impact on the operations of the Borrowers and that substantial steps have been taken, and that the benefits resulting therefrom are anticipated to be realized within 12 months; provided, further, that all extraordinary or non-recurring gains, losses, charges or expenses for a period will be excluded from net income (loss) in calculating EBITDA for such period; provided, further, that solely for calculating EBITDA to determine compliance with the financial covenants in Section 5(a) (and not for the purposes of determining the availability or amount of any covenant baskets or carve-outs, if any), to the extent that during such period any Person included in the calculation of EBITDA for such period has consummated an acquisition that is permitted by this Agreement of another Person, business property or assets, then EBITDA shall be calculated to on a Pro Forma Basis with respect to such Person, business, property or assets so acquired.

"EBITDA to All Interest and Loan Amortization Ratio" means, for any period, measured through the most recent fiscal quarter end and on a four-quarter trailing basis as applicable, the ratio of (a) Borrowers' EBITDA determined on a combined basis for such period, to (b) the sum of the cash interest and principal payments due, declared or paid on all Debt for the same period. For purposes of this ratio, (i) prior to the one (1) year anniversary of the Effective Date, the period shall consist of the period from the Effective Date to the date the ratio is measured, and (ii) subsequent to the one (1) year anniversary of the Effective Date, the period shall consist of the preceding twelve (12) months from the date the ratio is measured.

"Effective Date" has the meaning given to such term in the preamble hereto.

"Embargoed Person" means any Person identified by OFAC or any other Person with whom a Person residing in the United States of America may not conduct business or transactions by prohibition of federal law or Executive Order of the President of the United States of America.

"Encumbrance" means any charge, equitable interest, deed of trust, lien, option, pledge, security interest, or right of first refusal.

"Equity Cure Contribution" has the meaning given to such term in Section 7(b).

"Equity Cure Right" has the meaning given to such term in Section 7(b).

"Equity Interest(s)" means all shares of common or preferred stock, partnership interests, membership interests, membership units or other ownership interests in any Person and all warrants, options or other rights to acquire the same.

"Event of Default" has the meaning given to such term in Section 7.

"Exchange Act" means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

"Family Trust" has the meaning given to such term in the preamble hereto.

"Financial Covenant" has the meaning given to such term in Section 5(a).

"Fixed Charge Coverage Ratio" means, for any period, measured through the most recent fiscal quarter end and on a four-quarter trailing basis as applicable, the ratio of (a) Borrowers' EBITDA for such period, to (b) the principal payments due on the Loans in cash for such period and interest expense on the Loans in cash for such period.

"GAAP" means generally accepted accounting principles in the United States of America as of the date of the applicable financial report; provided, however, that GAAP with respect to any interim financial statements, reports or certificates shall be deemed subject to fiscal year-end adjustments and footnotes made in accordance with GAAP.

"Guarantors" has the meaning given to such term in the preamble hereto.

"ICC" means International Commissary Corporation, a California corporation.

"Indebtedness" means, without duplication, (a) indebtedness for borrowed money or the deferred price of property or services (other than trade accounts payable incurred in the ordinary course of business and not past due for more than ninety (90) days and accrued obligations incurred in the ordinary course of business if not paid after becoming due and payable), (b) reimbursement and other obligations for surety bonds and letters of credit, (c) obligations evidenced by notes, bonds, debentures or similar instruments, (d) capital lease obligations, (e) all obligations upon which interest charges are customarily paid, (f) all liabilities under any Prohibited Financing Program that would be outstanding as principal at such time thereunder if the same were structured as a lending arrangement rather than a purchase and sale (or similar) arrangement, (g) all direct or indirect liability, contingent or otherwise, with respect to any indebtedness, lease, dividend or other obligation of another Person if the primary purpose or intent of the Person incurring such liability, or the primary effect thereof, is to provide assurance to the obligee of such liability that such liability will be paid or discharged, or that any agreements relating thereto will be complied with, or that the holders of such liability will be protected (in whole or in part) against loss with respect thereto, or (h) all direct or indirect liability, contingent or otherwise, to make take-or-pay or similar payments if required regardless of nonperformance by any other party or parties to an agreement.

"Individual Guarantor" has the meaning given to such term in the preamble hereto.

"Initial Term Loan" has the meaning given to such term in Section 2(a).

"Initial Term Note" has the meaning given to such term in Section 2(a).

"[REDACTED] Trust" has the meaning given to such term in the preamble hereto.

"Junior Debt" means all Indebtedness of any Borrower owing (a) to any Affiliate of Borrower, (b) to any direct or indirect shareholder or member of any Borrower, including the Starco Bridge Note, or (c) in respect of the Custom Foods Earnout; provided that the holder of such Junior Debt shall have executed and delivered to Lender a subordination agreement relating to such Indebtedness and any Lien securing such Indebtedness which is consistent with the requirements of this Agreement and otherwise in form and substance reasonably satisfactory to Lender.

"Lender" has the meaning given to such term in the preamble hereto.

"Line of Credit" has the meaning given to such term in Section 2(c).

"Line of Credit Note" has the meaning given to such term in Section 2(c).

"Loan Documents" has the meaning given to such term in Section 3.

"Loan Parties" means the Borrowers and the Guarantors.

"Loans" means the loans described in Section 2.

"Material Adverse Effect" means a material adverse effect on (i) the value, current use or operation of the property of any Borrower, (ii) the business, operations or condition (financial or otherwise) of any Loan Party, (iii) any Loan Party's ability to pay its obligations when due, or (iv) any Loan Party's ability to perform its obligations under the Loan Documents.

"Maximum LOC Amount" has the meaning given to such term in Section 2(c).

"Maximum Senior Debt to EBITDA Ratio" means, with respect to any period, measured through the most recent fiscal quarter end and on a four-quarter trailing basis as applicable, (i) the outstanding balance of the Loans as of the date of determination, divided by (ii) Borrowers' EBITDA for such period.

"[REDACTED] Trust" has the meaning given to such term in the preamble hereto.

"[REDACTED] Trust" has the meaning given to such term in the preamble hereto.

"Note" and "Notes" has the meaning given such terms in Section 2, together with each promissory note issued upon assignment of all or any portion of Lender's interest in the Loan and any instruments issued in amendment, restatement or replacement of any of the foregoing.

"Permitted Encumbrances" means:

(a) Encumbrances granted in favor of Lender to secure the Loans or other obligations under the Loan Documents;

(b) Encumbrances for taxes, assessments or governmental charges or levies not yet due or, if due, that are being contested in good faith by appropriate proceedings and with respect to which adequate reserves have been set aside for the payment of such amounts by such Person and for which appropriate provisions are maintained on the books of such Person in accordance with GAAP;

(c) Encumbrances of suppliers, carriers, materialmen, warehousemen, workmen or mechanics and other similar Encumbrances, in each case imposed by law or arising in the ordinary course of business, that are not overdue for a period of more than 90 days or that are being contested in good faith by appropriate proceedings diligently conducted and with respect to which adequate reserves or other appropriate provisions are maintained on the books of such Person in accordance with GAAP;

(d) Encumbrances, pledges or cash deposits made in the ordinary course of business (i) in connection with workers' compensation, unemployment insurance or other types of social security benefits (other than any Encumbrance imposed by the United States Employee Retirement Income Security Act of 1974, as amended), (ii) to secure the performance of bids, tenders, leases (other than capital leases), sales or other trade contracts (other than for the repayment of borrowed money), (iii) made in lieu of, or to secure the performance of, surety, customs, reclamation or performance bonds and other obligations of a like nature incurred in the ordinary course of business (in each case not related to judgments or litigation), or (iv) to vendors or suppliers to procure goods, services or equipment;

(e) Easements, zoning restrictions, encroachments, rights-of-way and other similar encumbrances or restrictions affecting real property of any Borrower as of the date hereof (but expressly excluding monetary Encumbrances), or with respect to any such future easements, zoning restrictions, encroachments, rights-of-way and other encumbrances or restrictions, that may affect such real property from time to time (but expressly excluding monetary Encumbrances), and that do not in any such case, either individually or in the aggregate, and whether now existing or existing in the future, materially interfere with the ability of any Borrower to conduct its business or to utilize such real property for its intended purposes, and that further do not in any case, either individually or in the aggregate, materially detract from the value of the real property subject thereto;

(f) Encumbrances arising solely by virtue of any contractual or statutory or common law provision relating to banker's liens, rights of set-off or similar rights and remedies as to deposit accounts and other funds maintained with a creditor depository institution; provided, that any such deposit account is not a dedicated cash collateral account in favor of such depository institution and not otherwise intended to provide collateral security (other than for customary account commissions, fees and reimbursable expenses relating solely to such deposit account, and for returned items);

(g) Non-exclusive licenses or sublicenses of intellectual property granted to other Persons in the ordinary course of business not materially interfering with the conduct of the business of any Borrower;

(h) Any interest of a licensor or sublicensor under any license or sublicense permitted by this Agreement as to which any Borrower is the licensee or sublicensee, if such license or sublicense was granted in the ordinary course of business and does not materially interfere with the business of such Borrower;

(i) Real estate security deposits with respect to leaseholds in the ordinary course of business;

(j) Any interest or title of a lessor under any lease (including any capital lease) or sublease entered into by any Borrower in the ordinary course of its business and covering only the assets so leased;

(k) Encumbrances with Lender's prior written consent that secure any Indebtedness described in clause (c), (i), or (j) of the definition of "Permitted Indebtedness";

(l) Encumbrances solely on any cash earnest money deposits made by any Borrower or any of its Affiliates in connection with any letter of intent or purchase agreement permitted hereunder; and

(m) Encumbrances existing on the Effective Date and listed on Schedule 4(d).

"Permitted Indebtedness" means:

(a) Borrowers' Indebtedness to Lender under this Agreement and the other Loan Documents;

(b) Indebtedness incurred in the ordinary course of business in respect of bid bonds, workers' compensation claims, self-insurance obligations, bankers' acceptances, performance or surety bonds, appeal bonds or similar obligations issued for the account of, and completion guarantees and similar obligations provided by any Borrower or its subsidiaries, including unsecured guarantees or obligations with respect to letters of credit supporting such bid bonds, performance bonds, surety bonds and similar obligations;

(c) Junior Debt;

(d) Indebtedness consisting of the financing of insurance premiums in the ordinary course of business;

(e) (i) cash management obligations and other Indebtedness in respect of netting services, automatic clearinghouse arrangements, overdraft protections, employee credit card programs and other cash management and similar arrangements in the ordinary course of business (and not in respect of any borrowed money) and (ii) Indebtedness arising from the honoring by a bank or other financial institution of a check, draft, credit card, purchase card or similar instrument drawn against insufficient funds in the ordinary course of business or other cash management services (including automated clearinghouse (ACH) transfers) in the ordinary course of business; provided that such Indebtedness in respect of credit or purchase cards is extinguished within 60 days from its incurrence;

(f) Indebtedness incurred by any Borrower in respect of letters of credit, bank guarantees, bankers' acceptances, warehouse receipts or similar instruments in respect of workers compensation claims, health, disability or other employee benefits or property, casualty or liability insurance or self-insurance or other Indebtedness with respect to reimbursement-type obligations regarding workers compensation claims, in each case, in the ordinary course of business;

(g) Indebtedness constituting contingent or deferred payment obligations (including, but not limited to, seller financing or severance, retention, earn-out, non-compete and consulting payments, together with any interest or similar charge of expense imputed or otherwise accrued in respect to any of the foregoing);

(h) Indebtedness constituting (i) accounts payable (including trade payables) incurred in the ordinary course of business and past due for more than ninety (90) days, or (ii) unpaid take-or-pay obligations, collectively in an aggregate amount not to exceed $1,000,000 at any time;

(i) Indebtedness existing on the Effective Date and listed on Schedule 4(c).

(j) Indebtedness in an aggregate amount not to exceed $100,000 at any time; and

(k) other Indebtedness with Lender's prior written consent.

"Person" means any individual, corporation, partnership, joint venture, limited liability company, estate, trust, unincorporated association, any federal, state, county or municipal government or any bureau, department or agency thereof and any fiduciary acting in such capacity on behalf of any of the foregoing.

"Personal Property Collateral" means the "Collateral" as such term is defined in the Security Agreements.

"Pledge Agreement (Additional Borrowers)" shall mean that certain Pledge Agreement, dated of even date herewith, executed by Starco Manufacturing, as pledgor, for the benefit of Lender, as pledgee, pursuant to which Starco Manufacturing will pledge all of its right, title and interest in and to ownership interests in Custom Foods, ICC and SFB AcqCo, as the same may be amended, modified, supplemented or restated from time to time.

"Pledge Agreement (Initial Borrowers)" shall mean that certain Pledge Agreement, dated of even date herewith, executed by the pledgors party thereto, for the benefit of Lender, as pledgee, pursuant to which such pledgors will pledge all of their respective right, title and interest in and to ownership interests in Starco Manufacturing, Starco Brands, AOS, Soylent, Skylar, Whipshots and Whipshots Holdings, as the same may be amended, modified, supplemented or restated from time to time.

"Pledge Agreements" shall mean the Pledge Agreement (Additional Borrowers) and the Pledge Agreement (Initial Borrowers), together with any other pledge or similar agreement from time to time executed by Borrower or any Pledgor or any other Person for the benefit of Lender and intended to secure the Loans or any obligations under this Agreement.

"Pledged Collateral" shall mean the "Pledged Collateral" as defined in the Pledge Agreements.

"Pledgor" shall have the meaning specified in the Pledge Agreements.

"Property" shall mean all property and assets of Borrowers, including, without limitation, all Personal Property Collateral.

"Pro Forma Basis" shall mean with respect to any Person, business, property or asset acquired, the inclusion of the EBITDA of such Person, business, property or asset as if such acquisition had been consummated on the first day of the applicable period, based on historical results accounted for in accordance with GAAP.

"Prohibited Financing Programs" means any merchant cash advance program or any other financing, factoring or other cash advance program providing for the advance sale or other disposition of trade or other receivables or other similar assets.

"Quarterly Compliance Certificate" has the meaning given to such term in Section 5(a).

"Restricted Payment" means (a) any payment of any part or all of any Junior Debt and (b) any payment of any dividends, distributions or other amounts to any shareholder, member, manager or any other Affiliate of any Borrower.

“SEC” means the United States Securities and Exchange Commission.

“SEC Reports” has the meaning given to such term in Section 4(c)(i).

“Securities Act” means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

“Security Agreement (Additional Borrowers)” means that certain Security Agreement, dated of even date with this Agreement, by Custom Foods, ICC and SFB AcqCo for the benefit of Lender and granting a lien and security interest in the applicable Collateral as security for the Loan, as the same may be amended, modified, supplemented or restated from time to time.

“Security Agreement (Initial Borrowers)” means that certain Security Agreement, dated of even date with this Agreement, by Starco, Starco Brands, Starco Manufacturing, AOS, Soylent, Skylar, Whipshots and Whipshots Holdings for the benefit of Lender and granting a lien and security interest in the applicable Collateral as security for the Loan, as the same may be amended, modified, supplemented or restated from time to time.

“Security Agreements” shall mean the Security Agreement (Additional Borrowers) and the Security Agreement (Initial Borrowers), together with any other security or similar agreement from time to time executed by any Borrower or any other Person for the benefit of Lender and intended to secure the Loans or any obligations under this Agreement.

“Seller” means Custom Foods Holdings.

“SFB AcqCo” means SFB AcqCo, LLC, a Delaware limited liability company.

“Skylar” has the meaning given to such term in the preamble hereto.

“Soylent” has the meaning given to such term in the preamble hereto.

“Starco” has the meaning given to such term in the preamble hereto.

“Starco Brands” has the meaning given to such term in the preamble hereto.

“Starco Bridge Note” means that certain Bridge Term Loan Promissory Note dated as of December 22, 2025, executed and delivered by Starco in the original principal amount of Five Million Dollars ($5,000,000.00) and payable to Starco Group, as in effect on the Effective Date.

“Starco Group” means The Starco Group, Inc., a Wyoming corporation.

“Starco Group Borrowers” means Starco Group and Temperance Distilling Company, an Ohio corporation.

“Starco Group Loan Agreement” means that certain Loan Agreement dated as of December 17, 2025, by and among the Starco Group Borrowers, as borrowers, the guarantors party thereto, and Lender, as lender, as the same may be amended, modified, supplemented or restated from time to time in accordance with it terms.

“Starco Manufacturing” has the meaning given to such term in the preamble hereto.

“Term Loan Amount” has the meaning given to such term in Section 2(a).

“Term Loan Increase” has the meaning given to such term in Section 2(b).

“Trust Guarantors” has the meaning given to such term in the preamble hereto.

“Whipshots” has the meaning given to such term in the preamble hereto.

“Whipshots Holdings” has the meaning given to such term in the preamble hereto.

2. COMMITMENT TO LOAN. Subject to the terms, provisions and conditions of this Agreement, Lender will make and each Borrower will accept and repay, in accordance with the terms hereof, the following loans (collectively, the “Loans”):

(a) Term Loan. On the Effective Date, a loan (the “Initial Term Loan”) in the original principal amount of ELEVEN MILLION THOUSAND Dollars ($11,000,000) (the “Term Loan Amount”, as may be increased by the amount of the Term Loan Increase (as defined below)), evidenced by that certain Term Loan Promissory Note in the form attached hereto as **Exhibit A.1** (the “Initial Term Loan Note”) executed by Borrowers and payable to the order of Lender in the Term Loan Amount. Amounts borrowed as the Initial Term Loan that are repaid or prepaid may not be reborrowed.

(b) Accordion. At any time during the period from and after the Effective Date and until the two-year anniversary of the Effective Date, at the option of Borrowers (but subject to the conditions set forth below), Borrowers may provide written notice (the “Accordion Notice”) to Lender that the Term Loan Amount be increased by additional term loans (the “Accordion Term Loans”) in an amount in the aggregate for all such notices not to exceed FOUR MILLION AND NO/100 Dollars ($4,000,000.00) (each such increase, a “Term Loan Increase”); provided that each funding by Lender of the Accordion Term Loans shall be subject to the following conditions: (1) each Accordion Notice shall be delivered by Borrowers to Lender at least fifteen (15) days prior to Borrowers’ desired funding date (each such funding date, the “Accordion Effective Date”) for an Accordion Term Loan, (2) each Accordion Notice and Term Loan Increase shall be in the amount of ONE MILLION AND NO/100 Dollars ($1,000,000.00) and there shall be no more than four (4) Term Loan Increases during the term of this Agreement, (3) each Loan Party is in compliance with all covenants, terms and obligations under the Loan Documents on the date of each Accordion Notice and on the date of funding of any such Accordion Term Loan, (4) Lender shall have received from Borrowers all information reasonably requested related to the Collateral and the Loan Parties’ business performance and Lender shall be satisfied, in its reasonable discretion (i) with the scope of the Collateral and (ii) with the Loan Parties’ business performance, (5) Lender shall have received an executed Accordion Term Note in the form attached hereto as **Exhibit A.2.** (each, an “Accordion Term Note”) dated as of each Accordion Effective Date and (6) Lender shall have received all outstanding fees and other expenses required to be paid by Borrowers pursuant to Section 10 of this Agreement (which such amounts may be offset against the proceeds of the applicable Accordion Term Loan). Borrowers shall be fully responsible for the full and timely payment of the Accordion Term Loans and the performance of all covenants and agreements set forth in this Agreement, the Notes, and the other Loan Documents. Upon the funding of any Accordion Term Loan on any Accordion Effective Date, the definition of “Loan” herein shall include such Accordion Term Loan and the definition of “Term Loan Amount” shall include the funded amount pursuant to any such Term Loan Increase.

(c) Line of Credit. A revolving line of credit (the "Line of Credit") in the principal amount of up to THREE MILLION Dollars ($3,000,000) (the "Maximum LOC Amount") evidenced by that certain Line of Credit Promissory Note in the form attached hereto as **Exhibit B** (the "Line of Credit Note") executed by Borrowers and payable to the order of Lender in the Maximum LOC Amount. The Term Loan Note, each Accordion Term Note and the Line of Credit Note are sometimes each individually referred to herein as, a "Note," and collectively as, the "Notes."

(i) Allowable Advances. Subject to the terms and conditions of this Agreement, Lender agrees to make such direct advances under the Line of Credit (each, an "Advance") to and for the benefit of Borrowers, at such times and in such amounts as Borrowers may from time-to-time request during the Draw Period *provided*, *however*, that the total aggregate principal balance of all Advances outstanding at any time shall not exceed the Maximum LOC Amount, and *provided further*, that Borrowers shall not be entitled to any Advances if (i) a Default or Event of Default has occurred and is continuing (or a Default or Event of Default would result therefrom) under this Agreement or any other Loan Document or (ii) the representations and warranties set forth in Section 4 are untrue in any material respect.

(ii) Procedure for Draw Requests. Draw requests shall be made by written notice to Lender (each, a "Draw Request"). Lender shall deliver the amount of the Advance set forth in the Draw Request within five (5) Business Days following receipt of the Draw Request delivered in accordance with the notice provisions of Section 13 of this Agreement. In the event any Borrower submits more than one Draw Request in any calendar month or makes more than one repayment to Lender under the Line of Credit in any calendar month, Borrowers shall pay a fee of $1,000 for each additional Draw Request or repayment, as applicable. Advances made by Lender to Borrowers hereunder which have been repaid may be borrowed again during the Draw Period provided that the total outstanding principal balance of the Advances does not exceed the Maximum LOC Amount; *provided*, *however*, as of 1:00 p.m. Los Angeles, California time on the last day of the Draw Period, no additional Draw Requests shall be made by Borrowers. All Advances and repayments hereunder shall be evidenced by entries on the books and records of Lender which shall be presumptive evidence of the principal amount and interest owing and unpaid under this Agreement, or any renewal or extension hereof absent manifest error. The failure to record any such amount or any error in recording any such amount, shall not limit or otherwise affect the obligations of Borrowers hereunder or under any note to repay the principal amount of such liabilities, together with all interest accruing thereon.

(d) Cross-Defaulted; Cross-Collateralized. Each Borrower acknowledges and agrees that the Notes are cross-defaulted, such that a default under one Note shall constitute a default under the other Note. Each Borrower further acknowledges and agrees that the Notes are cross-collateralized, such that the security provided in Section 3 of this Agreement secures the payment and performance of both of the Notes, and a default under either Note shall trigger a right in favor of Lender, in its discretion, to exercise its remedies against all security granted hereunder.

3. GUARANTY AND SECURITY. In order to induce Lender to enter into this Agreement and make the Loans to Borrowers, payment of all indebtedness and liabilities of Borrowers to Lender, and performance of all obligations, due or to become due under the Notes shall be: (x) guaranteed by that certain Guaranty in the form attached as **Exhibit C** hereto (the "Guaranty") executed by Individual Guarantor and Trust Guarantors; and (y) shall be secured by: (i) the Pledge Agreements in the form attached as **Exhibit D.1.** and **D.2.** hereto, respectively; (ii) the Security Agreements in the form attached as **Exhibit E.1** and **E.2.** hereto; and (iii) Uniform Commercial Code Financing Statements evidencing the Collateral described in the Pledge Agreements and the Security Agreements, for the benefit of Lender (collectively, the "UCCs"). This Agreement, the Notes, the Guaranties, the Pledge Agreements, the Security Agreements, the UCCs, the Collateral Assignment of Acquisition Documents, the Collateral Assignment of RWI Policy, the Custom Foods Earnout Subordination Agreement, each Additional Borrower Joinder Agreement, and any and all other documents now or hereafter given to evidence or secure payment of all indebtedness and liabilities of Borrowers to Lender under the Loans described in this Agreement, or delivered to induce Lender to disburse the Loans to Borrowers, as such documents may hereafter be amended, modified, supplemented or restated from time-to-time are collectively referred to as the "Loan Documents").

4. REPRESENTATIONS AND WARRANTIES. Each of the Loan Parties represents and warrants to Lender solely in respect of itself and its Subsidiaries, as of the Effective Date and each date a Loan is funded under this Agreement, as follows:

(a) Representations. (i) Each of the Loan Parties (other than the Trust Guarantors and Individual Guarantor) is duly organized and is validly existing and in good standing with requisite power and authority to own its properties and to transact the businesses in which it is now engaged, is duly qualified to do business and is in good standing in each jurisdiction where it is required to be so qualified in connection with its properties, businesses and operations, and possesses all rights, licenses, permits and authorizations, governmental or otherwise, necessary to entitle it to own its properties and to transact the businesses in which it is now engaged; (ii) this Agreement and the other Loan Documents to which such Loan Party is a party have been duly executed and delivered by or on behalf of each such Loan Party and constitute the legal, valid and binding obligations of each such Loan Party enforceable against such Loan Party in accordance with their respective terms, subject only to applicable bankruptcy, insolvency and similar laws affecting rights of creditors generally; and (iii) the execution, delivery and performance of this Agreement and the other Loan Documents by each Loan Party, as applicable, will not conflict with or result in a breach of any of the terms or provisions of, or constitute a default under, or result in the creation or imposition of any Encumbrance (other than Permitted Encumbrances or otherwise pursuant to the Loan Documents) upon any of the property or assets of the Loan Parties, as applicable, pursuant to the terms of any agreement or instrument to which they are a party or by which their property or assets are subject.

(b) No Litigation or Regulatory Censure. Except as set forth on Schedule 4(b) hereto (as updated from time to time so long as such update is expressly approved in writing by Lender in its reasonable discretion), there is no pending, nor to any Loan Party's Knowledge threatened, litigation, legal action, arbitration, proceeding, demand, claim or investigation with respect to any Loan Party or the Collateral that, if determined adversely, would reasonably be expected to have or does have a Material Adverse Effect.

(c) Financial Statements.

(i) Starco has filed all reports, schedules, forms, statements and other documents required to be filed by Starco under the Securities Act and the Exchange Act, including pursuant to Section 13(a) or 15(d) thereof, for the one year preceding the date hereof (or such shorter period as Starco was required by law or regulation to file such materials) (the foregoing materials, including the exhibits thereto and documents incorporated by reference therein, being collectively referred to herein as the "SEC Reports") on a timely basis or has received a valid extension of such time of filing and has filed any such SEC Reports prior to the expiration of any such extension. As of their respective dates, the SEC Reports complied in all material respects with the requirements of the Securities Act and the Exchange Act, as applicable, and none of the SEC Reports, when filed, contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading. The financial statements of Starco included in the SEC Reports comply in all material respects with applicable accounting requirements and the rules and regulations of the SEC with respect thereto as in effect at the time of filing.

(ii) All financial data, including, without limitation, the SEC Reports, the balance sheets, statements of cash flow, and statements of income and operating expense that have been delivered to Lender in respect of Borrowers, Guarantors and/or the Personal Property Collateral (a) are true, complete and correct in all material respects, (b) accurately represent the financial condition of Borrowers, Guarantors or the Personal Property Collateral, as applicable, as of the date of such reports, (c) accurately represent all Indebtedness (including any guaranty, hold harmless or similar arrangement with respect to any Indebtedness) of Borrowers and Guarantors and (d) to the extent prepared or audited by an independent certified public accounting firm, have been prepared in accordance with GAAP (federal tax basis accounting or such other method of accounting acceptable to Lender) throughout the periods covered, except as disclosed therein.

(iii) No Borrower or Guarantor has any contingent liabilities, liabilities for taxes, unusual forward or long term commitments or unrealized or anticipated losses from any unfavorable commitments that are known to such Borrower or Guarantor, except as referred to or reflected in said financial statements. Since the date of such financial statements, there has been no change in the financial condition, operations or business of Borrowers or Guarantors from that set forth in said financial statements which would reasonably be expected to have or has had a Material Adverse Effect. No Borrower has incurred any Indebtedness (including any guaranty, hold harmless or similar arrangement with respect to any Indebtedness) except for Permitted Indebtedness, and all such Permitted Indebtedness (including such guaranties, hold harmless and similar arrangements in respect of Permitted Indebtedness) are accurately described on Schedule 4(c) to the extent incurred under clauses (b), (c), (g), or (h) of the definition of Permitted Indebtedness.

(d) Agreements. No Loan Party is a party to any agreement or instrument or subject to any restriction which would reasonably be expected to have or does have a Material Adverse Effect. No Loan Party is in default in the performance, observance or fulfillment of any of the obligations, covenants or conditions contained in any agreement or instrument to which it is a party or by which such Loan Party or any property or assets of such Borrower is bound, which default or failure would reasonably be expected to result in a Material Adverse Effect.

(e) Solvency. Each Loan Party has (a) not entered into the transaction contemplated hereby or executed the Notes, this Agreement or any other Loan Document with the actual intent to hinder, delay or defraud any creditor and (b) received reasonably equivalent value in exchange for its obligations under such Loan Documents to which such Loan Party is a party. After giving effect to the Loans and the transactions contemplated on the Effective Date (including after giving effect to the consummation of the Custom Foods Acquisition), the fair saleable value of the assets of each Loan Party exceeds and will, immediately following the making of the Loans, exceed the total liabilities of such Loan Party, including, without limitation, subordinated, unliquidated, disputed and contingent liabilities. No petition in bankruptcy has been filed against any Loan Party in the last ten (10) years, and no Loan Party in the last ten (10) years has made an assignment for the benefit of creditors or taken advantage of any creditors' rights laws. No Loan Party is contemplating either the filing of a petition by it under any creditors' rights laws or the liquidation of all or a major portion of such Loan Party's assets or property, and no Loan Party has Knowledge of any Person contemplating the filing of any such petition against any Borrower or any Guarantor.

(f) Insurance. Each Borrower has obtained and has delivered to Lender certified copies of all policies or, to the extent such policies are not available as of the Effective Date, certificates of insurance with respect to all such policies reflecting the insurance coverages, amounts and other requirements set forth in this Agreement. Each Borrower has maintained insurance throughout all relevant periods of operation without any gaps in coverage. No claims are pending under any of the policies, and to each Loan Party's Knowledge, no Person, including any Borrower, has done, by act or omission, anything which would impair the coverage of any of the policies.

(g) Taxes. Each Borrower has filed all federal, state, county, municipal, and city income, personal property and other tax returns required to have been filed by it and has paid all taxes and related liabilities which have become due pursuant to such returns or pursuant to any assessments received by it. No Borrower knows of any basis for any additional assessment in respect of any such taxes and related liabilities for prior years. No Borrower is currently under any extension with respect to the filing or payment of taxes, nor is any Borrower subject to any pending audit.

(h) OFAC. None of the Loan Parties, nor any Person who controls any Loan Party currently is identified by the Office of Foreign Assets Control, Department of the Treasury ("OFAC") or otherwise qualifies as an Embargoed Person, and each Loan Party has implemented procedures to ensure that no Person who now or hereafter owns a direct or indirect Equity Interest in such Loan Party is an Embargoed Person or is controlled by an Embargoed Person. The proceeds of the Loans will not be used and have not been used to fund any operations in, finance any investments or activities in, or make any payments to, an Embargoed Person.

(i) Full and Accurate Disclosure. No statement of fact made by or on behalf of any Loan Party in this Agreement or in any of the other Loan Documents or in any other document or certificate delivered by or on behalf of any Loan Party contains any untrue statement of a material fact or omits to state any material fact, to such Loan Party's Knowledge, necessary to make statements contained herein or therein not misleading.

(j) Place of Business; Chief Executive Office. Each Loan Party's primary place of business and chief executive office is at the address provided in Section 13 below, regardless of whether such Loan Party has multiple offices at which it conducts business.

(k) Custom Foods Acquisition. Borrowers have provided to Lender true, correct and complete copies of the Custom Foods Purchase Agreement and the other ancillary documents related to the Custom Foods Acquisition (collectively, the "Custom Foods Acquisition Documents"), including true, correct and complete copies of the final disclosure schedules referenced in and/or attached thereto. To each Borrower's knowledge, all of the representations and warranties set forth in the Custom Foods Acquisition Documents are true and correct. All of the conditions precedent to the "Closing" as defined in the Custom Foods Purchase Agreement have been fulfilled (or waived to the satisfaction of Lender) other than the payment of the purchase price due at such Closing. Immediately upon the funding of the Initial Term Loan, the "Closing" under the Custom Foods Purchase Agreement shall be consummated in accordance with the terms and conditions thereof and all applicable laws.

As used herein, the term "to Loan Party's Knowledge" or words to that effect shall mean the current, actual knowledge of the applicable Loan Party, the Individual Guarantor or other Person with the ability to control the operations or affairs of such Loan Party.

5. COVENANTS. Each Loan Party, as applicable, hereby covenants and agrees at all times during the term of the Loans described herein as follows:

(a) Required Financial Ratios. Borrowers shall at all times be required to maintain the following financial covenants (each, a "Financial Covenant"):

(i) Borrowers shall maintain a Maximum Senior Debt to EBITDA Ratio of no greater than 3.00 to 1.00; and

(ii) Borrowers shall maintain a Fixed Charge Coverage Ratio of at least 2.00 to 1.00.

Each Borrower agrees to cooperate with Lender to facilitate Lender's testing of the above Financial Covenants. Such cooperation shall include, without limitation, promptly furnishing such information as is requested by Lender to allow Lender to facilitate such tests, including but not limited to promptly submitting a Quarterly Compliance Certificate in the form attached as **Exhibit F** hereto (each a "Quarterly Compliance Certificate") concurrently with delivery of the applicable financial statements under Section 5(h)(i). Any financial statements provided by Borrowers pursuant to this Section 5(a) shall be certified as true and correct by each Borrower's Chief Financial Officer (or other officer approved by Lender) and otherwise in form and substance acceptable to Lender. Lender shall test such Financial Covenants as of the last day of each fiscal quarter ending on or after September 30, 2026. Annual year-end adjustments and reconciliations made after submission of any Quarterly Compliance Certificate, may be made without penalty and if any adjustments or reconciliations are made, an updated copy of such year-end Quarterly Compliance Certificate may be submitted to Lender without penalty and without causing any Event of Default due solely to a delay in delivering such Quarterly Compliance Certificate.

(b) Use of Proceeds. Unless otherwise agreed in writing by Lender, each Borrower shall use the proceeds solely to (i) with respect to the Initial Term Loan, fund a portion of the purchase price of the Custom Foods Acquisition, (ii) with respect to the Line of Credit, provide general working capital for any Borrower, (iii) with respect to the Accordion Term Loans, to repay the Starco Bridge Note and provide general working capital for any Borrower, and (iv) pay costs and expenses associated with this financing.

(c) Subordination and Restricted Payments.

(i) All present and future Junior Debt shall be and is subordinate and junior in right of payment and collection to the payment and collection in full of all present and future indebtedness, obligations and liabilities of Borrowers to Lender under the Notes. Each Borrower agrees that any and all Encumbrances owned, claimed, or held, or to be owned, claimed or held with respect to the Junior Debt are and shall be in all respects subordinate and junior to any and all Encumbrances owned, claimed or held, or to be owned, claimed or held by Lender as security for the obligations under this Agreement and the Notes.

(ii) No Borrower shall make any Restricted Payment, unless (i) no Event of Default has occurred and is continuing, (ii) Borrowers are in compliance with the Financial Covenants listed in Section 5(a) hereof, and (iii) an EBITDA to All Interest and Loan Amortization Ratio of at least 1.20 to 1.00 is maintained by Borrowers before and after giving pro forma effect to such Restricted Payment, in which case, Borrowers may then make, and members/shareholders and other creditors with respect to the Restricted Payment may receive, accept or retain any such Restricted Payment.

(iii) No Borrower shall, without the prior written consent of the Lender, amend, modify or otherwise change the terms of any Junior Debt; provided that no such consent shall be required with respect to any amendment, modification or change (A) that is not materially adverse to the Lender or (B) made in connection with any increase in the principal amount of such Junior Debt (excluding any Debt incurred on the Custom Foods Acquisition Effective Date with respect to the Custom Foods Earnout).

(d) Maintenance of Property; No Encumbrances. Each Borrower shall at all times maintain, in good order, condition and repair, free of Encumbrances (other than Permitted Encumbrances) and in compliance with all applicable laws, the business of such Borrower, assets and properties of such Borrower, including (without limitation) the Personal Property Collateral of such Borrower.

(e) Taxes. Each Borrower shall timely pay all applicable taxes and other charges now existing or hereafter levied against such Borrower or the Personal Property Collateral of such Borrower, and any taxes on the income of the business of such Borrower, subject to such Borrower's good faith right to contest, at such Borrower's expense, the validity or application in whole or part of such taxes, provided that there is no Event of Default then continuing under the Loan Documents.

(f) Litigation; Notices of Default. Each Loan Party shall give Lender prompt written notice of (i) any litigation or governmental proceedings against any such Loan Party or the Personal Property Collateral, which might reasonably be expected to have a Material Adverse Effect, (ii) any Default or Event of Default under the Loan Documents and (iii) any notices of default received from any lender or material contractor of any Borrower.

(g) Sale of Interest in any Borrower. Lender's written consent shall be obtained prior to the sale, transfer or assignment, directly or indirectly, of 25% or more of the membership interests or capital stock (voting or non-voting) or any other ownership interests in any Borrower, either in a single transaction or in a series of transactions, to any Person, such consent not to be unreasonably withheld or delayed (but which may require additional collateral or guaranties as a condition to such consent). Notwithstanding the foregoing, the Borrower may complete the business reorganization with the Starco Group Borrowers that has been discussed with Lender, or any other business reorganization, in each such case subject to the express written approval of Lender (which approval shall not be unreasonably withheld or delayed, and may be conditioned upon the execution and delivery of such additional Loan Documents, such amendments to Loan Documents, and such other related deliverables, in each case as required by the Lender in its reasonable discretion).

(h) Financials. Borrowers shall furnish to Lender such reports and financial information regarding Borrowers and Guarantors as Lender may from time-to-time reasonably request, which shall include, without any further request therefor:

(i) no later than sixty (60) days after the end of each fiscal quarter: (1) quarterly company prepared financial statements for Borrowers, (2) Starco's quarterly unaudited consolidated financial statements filed with the SEC on Form 10Q for such fiscal quarter, and (3) quarterly accounts receivable and accounts payable aging reports for Borrowers, in each case in form, scope and detail reasonably satisfactory to Lender

(ii) within thirty (30) days after their filing, copies of the federal income tax returns of Borrowers and Guarantors,

(iii) no later than ninety (90) days (or, with respect to clauses (1) and (2) below, by the date on which the applicable report is required to be filed with the SEC, including any extension period available under applicable SEC rules) after the end of each fiscal year: (1) an annual financial statement for each Guarantor, (2) Starco's annual audited financial statements filed with the SEC on Form 10K for such fiscal year, and (3) annual accounts receivable and accounts payable aging reports for Borrowers, in each case in form, scope and detail reasonably satisfactory to Lender. Annual year-end adjustments and reconciliations made after submission of any quarterly financial statement, may be made without penalty and if any adjustments or reconciliations are made, an updated copy of such quarterly financial statement may be submitted to Lender without penalty and without causing any Event of Default due solely to a delay in delivering such quarterly financial statement.

(i) Indebtedness and Strict Prohibition on MCAs and Other Prohibited Financing Programs. No Borrower shall create, incur, assume, or be liable for any Indebtedness (including any guaranty, hold harmless or similar arrangement with respect to any Indebtedness), other than Permitted Indebtedness. NO **BORROWER OR ANY SUBSIDIARIES OF ANY BORROWER SHALL ENTER INTO ANY MERCHANT CASH ADVANCE FINANCING ARRANGEMENT OR ANY OTHER PROHIBITED FINANCING PROGRAM. FOR THE AVOIDANCE OF DOUBT, THE ENTRY INTO ANY MERCHANT CASH ADVANCE FINANCING ARRANGEMENT OR ANY OTHER PROHIBITED FINANCING PROGRAM SHALL BE AN IMMEDIATE EVENT OF DEFAULT UNDER THE LOAN DOCUMENTS AND SHALL ENTITLE THE LENDER TO EXERCISE ANY AND ALL RIGHTS AND REMEDIES OF LENDER UNDER THE LOAN DOCUMENTS IN ACCORDANCE WITH THE TERMS THEREOF.**

(j) Performance by Loan Parties. Each Loan Party, as applicable, shall, in a timely manner, observe and perform in all material respects each and every covenant and provision to be performed by such Loan Party under the Loan Documents.

(k) Organization.

(i) So long as the Loans remain outstanding, no Borrower shall create, own, or acquire any subsidiary (other than Custom Foods, ICC and SFB AcqCo pursuant to the Custom Foods Acquisition), without the prior written consent of Lender (which consent shall not unreasonably be withheld or delayed). Notwithstanding the foregoing, the Borrower may complete the business reorganization with the Starco Group Borrowers that has been discussed with Lender, or any other business reorganization or acquisition, and create one or more unrestricted subsidiaries in connection therewith, in each such case subject to the express written approval of Lender (which approval shall not be unreasonably withheld or delayed, and may be conditioned upon the execution and delivery of such additional Loan Documents, such amendments to Loan Documents, and such other related deliverables, in each case as required by the Lender in its reasonable discretion).

(ii) No Borrower will directly or indirectly, materially amend or otherwise materially modify any Custom Foods Acquisition Document without the prior written consent of Lender, such consent not to be unreasonably withheld. Borrowers shall, prior to entering into any material amendment or other material modification of any of the foregoing documents (or such later time as the Lender may agree from time to time in its sole discretion), deliver to Lender reasonably in advance of the execution thereof, any final or execution form copy of material amendments or other material modifications to such documents.

(l) Insurance. Borrowers will maintain with financially sound and reputable insurance companies, insurance against loss or damage and liability with coverage of no less than $18,000,000. Each Borrower's insurance shall name Lender as lender loss payee and/or additional insured, as applicable, and shall provide for at least 30 days advance notice to Lender prior to any non-renewal or cancellation (except, in the case of non-payment, notice may be 15 days), and such other endorsements as Lender may reasonably request from time to time.

(m) Additional Borrowers.

(i) Upon consummation of the Custom Foods Acquisition on the Custom Foods Acquisition Effective Date, the Loan Parties shall cause each of Custom Foods, ICC and SFB AcqCo to: (1) execute and deliver to Lender an Additional Borrower Joinder Agreement to become a "Borrower" under the Loan Documents; (2) deliver to Lender executed copies of (A) the Security Agreement (Additional Borrowers), (B) the Collateral Assignment of Acquisition Documents, (C) the Collateral Assignment of RWI Policy and (D) the Custom Foods Earnout Subordination Agreement; (3) deliver evidence (including, without limitation, documentation, consents and filings) that the Encumbrances in favor of Lender are valid, enforceable, properly perfected in a manner reasonably acceptable to Lender and prior to all others' rights and interests, except Permitted Encumbrances; (4) deliver to Lender a certificate of good standing for each Additional Borrower from its respective state of formation; (5) Lender shall have received UCC lien search results satisfactory to Lender that the Encumbrances in favor to Lender with respect to the Collateral are perfected first-priority liens (subject to Permitted Encumbrances); (6) deliver to Lender evidence from each Additional Borrower that the execution, delivery and performance by such Person of this Agreement and any instrument or agreement required under this Agreement have been duly authorized; (7) deliver to Lender a certificate of a duly authorized officer of each Additional Borrower attaching and certifying the accuracy and completeness of the organizational documents of such Person, and the requisite entity approval for entering into the Additional Borrower Joinder Agreement, this Agreement, the other Loan Documents and the transactions contemplated hereby and thereby; (8) deliver to Lender certificates of liability insurance and property insurance for each Additional Borrower in form and substance satisfactory to Lender and otherwise in compliance with the insurance requirements set forth in Section 5(l) in accordance with Section 5(n); and (9) execute and deliver to Lender such additional documents (including legal opinions), agreements, certificates, filings, diligence and other information as Lender may request, in each case in respect of the foregoing clauses (1) through (9), in form and substance reasonably satisfactory to Lender.

(ii) From time to time after the Effective Date, an Affiliate of a Loan Party may, with the prior written consent of the Lender (such consent shall be in the Lender's sole discretion and may be conditioned upon all such agreements, documents, conditions, limitations and other requests as Lender may condition its consent on in its sole discretion), become a party to this Agreement as a Borrower and be deemed a Borrower for all purposes of this Agreement and the other Loan Documents by execution and delivery to the Lender of an Additional Borrower Joinder Agreement and such other such additional documents (including legal opinions), agreements, certificates, filings, diligence and other information as Lender may request. No Additional Borrower shall be admitted as a party to this Agreement as a Borrower unless at the time of such admission and after giving effect thereto (1) the representations and warranties set forth in the Loan Documents shall be true and correct, (2) such Additional Borrower shall be in compliance in all material respects with all of the terms and provisions set forth herein on its part to be observed or performed at the time of the admission and after giving effect thereto, and (3) no Default or Event of Default shall have occurred and be continuing.

(n) Post-Closing Matters. Borrowers agree that Borrowers shall deliver to Lender the documents set forth on Schedule 5(n), in form and substance reasonably satisfactory to Lender, and/or take the actions set forth on Schedule 5(n), in a manner reasonably acceptable to Lender, on or before the deadlines set forth in Schedule 5(n) (as such deadlines may be extended or waived by Lender in writing in its sole discretion).

6. CLOSING DELIVERABLES. Before Lender is required to extend any credit to Borrowers under this Agreement, it must receive all documents and other items it may reasonably require, in form and content acceptable to Lender, including without limitation the items specifically listed below.

(a) Authorization. If any Borrower or any other Affiliate is anything other than a natural person, evidence that the execution, delivery and performance by such Borrower and/or such Affiliate of this Agreement and any instrument or agreement required under this Agreement have been duly authorized.

(b) Officer's Certificate. A certificate of a duly authorized officer of each Borrower attaching and certifying the accuracy and completeness of the organizational documents of such Borrower, and the requisite entity approval for entering into this Agreement, the other Loan Documents and the transactions contemplated hereby and thereby.

(c) Term Loan Note. The Term Loan Note.

(d) Line of Credit Note. The Line of Credit Note.

(e) Guaranties. The Guaranty signed by the Guarantors for the benefit of Lender.

(f) Pledge Agreements. The Pledge Agreements signed by the applicable Pledgor pledging all their respective Equity Interests, as applicable, in the Pledged Collateral.

(g) Security Agreements. The Security Agreements signed by the applicable Borrower granting an Encumbrance in all applicable Personal Property Collateral.

(h) Subordination Agreements. Subordination Agreements in respect to all Junior Debt, including the Custom Foods Earnout Subordination Agreement.

(i) Perfection and Evidence of Priority. Lender's satisfaction that subject to recordation of the UCC-1's and delivery of stock certificates and stock powers to be made on a post-closing basis, the Encumbrances in favor of Lender are valid, enforceable, properly perfected in a manner acceptable to Lender and prior to all others' rights and interests, except Permitted Encumbrances which have priority by operation of law, including any security given in support of any Guaranties, if applicable.

(j) Payment of Fees. Payment of all fees, expenses and other amounts due and owing to Lender. If any fee is not paid in cash, Lender may, in its discretion, treat the fee as a principal advance under this Agreement or deduct the fee from the proceeds of the Loans.

(k) Good Standing. Certificates of good standing for each Borrower from their respective states of formation and from any other state in which any Borrower is qualified to conduct its business.

(l) ACH Authorization. A Recurring ACH Payment Authorization, in form attached as **Exhibit G**, allowing Lender to establish payments on the Notes directly from the applicable Borrower's account(s) held by its financial institutions (including, but not limited to, Lender).

(m) UCC Searches. Lender shall have received UCC lien search results satisfactory to Lender.

(n) Payoff Letters. Payoff letters and/or acknowledgements of payoff for all existing Indebtedness to be repaid on the Effective Date, confirming that all Encumbrances upon any of the property of Borrowers constituting Collateral will be terminated concurrently with such payment.

(o) Insurance. Subject to Section 5(n), certificates of liability insurance and property insurance for each Borrower naming Lender as lender loss payee and/or additional insured, as applicable, in form and substance satisfactory to Lender and otherwise in compliance with the insurance requirements set forth in Section 5(l).

(p) No Default or Event of Default. Immediately after giving effect to this Agreement, no Default or Event of Default under any of the Loan Documents shall have occurred and be continuing on the date hereof, or would exist immediately after giving effect to this Agreement.

(q) Representations and Warranties. Each of the representations and warranties contain in Section 4 of this Agreement shall be true and correct in all material respects on and as of the Effective Date.

(r) Custom Foods Acquisition Documents. Receipt by Lender of executed copies of the Custom Foods Acquisition Documents and evidence of the consummation of the Custom Foods Acquisition (or that the Custom Foods Acquisition will close substantially contemporaneously with the funding of the Initial Term Loan hereunder in the manner contemplated in the Custom Foods Acquisition Documents) in accordance with applicable law and in accordance with the terms of the Custom Foods Purchase Agreement (without amendment, modification or waiver of any provisions thereof that would be adverse to Lender without consent of Lender).

(s) Collateral Assignments. (i) The Collateral Assignment of Acquisition Documents executed by Starco Manufacturing in favor of Lender, and (ii) the Collateral Assignment of RWI Policy executed by Starco Manufacturing, the Seller and the insurer under the Custom Foods RWI Policy in favor of Lender, each dated as of the Custom Foods Acquisition Effective Date.

7. EVENTS OF DEFAULT.

(a) An event of default (each, an "Event of Default") shall exist (or be determined to exist) upon the occurrence of any of the events set forth in Section 2.01 of any of the Notes. In addition to the foregoing, it shall be an Event of Default if (i) any Borrower fails to deliver to Lender a complete and executed Quarterly Compliance Certificate within ten (10) days following Borrower providing quarterly financial statements as required under Section 5(h)(i) or (ii) Borrower fails to comply with any covenant contained in Section 5(a).

(b) In the event Borrower fails to comply with the financial covenants set forth in Section 5(a), any cash equity contribution (which equity will be in the form of Equity Interests (in the case of preferred stock, without any requirement to make any payments in cash in respect thereof and otherwise on terms reasonably acceptable to the Lender), or Junior Debt) made to any Borrower on or prior to the day that is ten (10) Business Days after the day on which financial statements and a Quarterly Compliance Certificate are required to be delivered for such fiscal quarter will, by notice to Lender, be included in the calculation of EBITDA solely for the purposes of determining compliance with such financial covenants at the end of such fiscal quarter and each subsequent period that includes such fiscal quarter (such cure right, an "Equity Cure Right" and any such equity contribution so included in the calculation of EBITDA, an "Equity Cure Contribution"); provided that (i) the Equity Cure Right may not be exercised for more than two (2) fiscal quarters during any period of four (4) consecutive fiscal quarters, (ii) no more than four (4) Equity Cure Contributions may be made during the term of this Agreement, (iii) the amount of any Equity Cure Contribution in any period will be no greater than the amount required to cause the Borrower to be in compliance with such financial covenant(s) for such period, (iv) each Equity Cure Contribution shall be counted solely for the purposes of determining compliance with the financial covenants and shall not be included for the purposes of determining the availability or amount of any covenant baskets or carve-outs, if any, and (v) neither Borrower shall be permitted to distribute or dividend any proceeds from such Equity Cure Contribution until the first fiscal quarter that Borrower is in compliance with the financial covenants set forth in Section 5(a) without the inclusion of such Equity Cure Contribution in the calculation of EBITDA.

8. REMEDIES. Upon the occurrence of an Event of Default, Lender shall have all remedies available at law or equity, including without limitation those set forth in Section 2.02 of any of the Notes.

9. WAIVER. To the fullest extent permitted by law, each Borrower hereby waives presentment for payment, notice of nonpayment, demand, dishonor and protest.

10. LOAN FEES AND EXPENSES.

(a) Borrowers shall pay (i) on the Effective Date to Lender, in consideration of Lender's agreement to make the Loans, a non-refundable fee in an amount equal to two percent (2.00%) of the Term Loan Amount on the Effective Date (i.e., Two Hundred Twenty Thousand Dollars ($220,000)), and (ii) on each Accordion Effective Date to Lender, in consideration of Lender's agreement to make the Accordion Term Loans, a non-refundable fee in an amount equal to two percent (2.00%) of such Term Loan Increase on such Accordion Effective Date, which, in each case, shall be due and payable in full, and paid out of the proceeds of each Accordion Term Loan, on the funding of each Accordion Term Loan under this Agreement. Each Borrower represents and warrants to Lender that there are no brokers, advisors or other third-parties to whom payments are required to be made on behalf of Borrowers or Guarantors with proceeds of the Loans.

(b) The foregoing non-refundable fees do not include legal fees, filing fees, delivery charges, UCC fees, and similar amounts which will be charged separately to Borrowers and payable at the time of the funding of the Initial Term Loan or Accordion Term Loan, as applicable, or to the extent that such amounts are not readily available at the time of the funding of the Initial Term Loan or the Accordion Term Loan, as applicable, then within ten (10) Business Days following delivery of the invoice of such amounts to Borrowers, and each Borrower hereby authorizes and directs Lender to initiate an ACH or other money transfer from such Borrower's financial institution to pay such legal fees, filing fees and other charges as may be due and payable by Borrowers hereunder.

(c) Borrowers shall pay (i) all reasonable out-of-pocket expenses incurred by Lender and its Affiliates (including the reasonable fees, charges and disbursements of counsel for Lender) in connection with the Loans provided for herein, the preparation, negotiation, execution, syndication, delivery and administration of the Loan Documents or any amendments, modifications or waivers of the provisions thereof, (ii) all reasonable out-of-pocket expenses incurred by Lender in connection with obtaining and maintaining continuously perfected Encumbrances with the priority contemplated by this Agreement and the other Loan Documents, (iii) all costs and expenses incurred in connection with any post-closing matters contemplated by this Agreement, and (iv) all out of pocket expenses incurred by Lender (including the fees, charges and disbursements of any counsel for Lender and the retention of one or more financial consultants or advisors designated by Lender in connection with the analysis of business issues arising post-closing) in connection with the enforcement or protection of its rights (A) in connection with the Loan Documents, or (B) in connection with the Loans made hereunder, including all such out-of-pocket expenses incurred during any workout, restructuring or negotiations in respect of such Loan. In addition, Borrowers shall pay any and all stamp and other similar taxes and fees payable or determined to be payable in connection with the execution, delivery, filing, and recording of, or otherwise with respect to, any of the Loan Documents and the other documents to be delivered under any such Loan Documents, and agrees to hold Lender harmless from and against any and all liabilities with respect to or resulting from any delay in paying or omission to pay such taxes and fees. The provisions of this section shall survive the closing of the Loans, the satisfaction and payment of the Indebtedness evidenced by the Notes and any cancellation of the Loan Documents.

11. INDEMNIFICATION. Each Borrower agrees to defend (with counsel satisfactory to Lender), protect, indemnify and hold harmless Lender, its members, employees, attorneys and agents (each, an "Indemnified Party") from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, claims, costs, expenses and distributions of any kind or nature, which may be imposed on, incurred by, or asserted against, any Indemnified Party in any manner relating to or arising out of this Agreement or any of the Loan Documents, or any act, event or transaction related or attendant thereto, the preparation, execution and delivery of this Agreement and the Loan Documents, the making or issuance and management of the Loans, the use or intended use of the proceeds of the Loans and the enforcement of Lender's rights and remedies under this Agreement, the Loan Documents, any other instruments and documents delivered hereunder or thereunder, or under any other agreement between any

Borrower and Lender; *provided*, *however*, that no Borrower shall have any obligation hereunder to any Indemnified Party with respect to matters caused by or resulting from the willful misconduct or gross negligence of such Indemnified Party. The provisions of this section shall survive the closing of the Loans, the satisfaction and payment of the Indebtedness evidenced by the Notes and any cancellation of the Loan Documents.

12. GENERAL AGREEMENTS.

(a) Business Purpose Loans. Each Borrower represents and warrants that to its knowledge the Loans evidenced by this Agreement are exempted transactions under the Truth In Lending Act, 15 U.S.C. §§1601, et seq.

(b) Time. Time is of the essence hereof.

(c) Governing Law. This Agreement is governed and controlled as to validity, enforcement, interpretation, construction, effect and in all other respects by the statutes, laws and decisions of the State of California, without regard to its conflict of laws provisions.

(d) Amendments. This Agreement may not be changed or amended orally but only by an instrument in writing signed by the party against whom enforcement of the change or amendment is sought.

(e) No Joint Venture. Lender shall not be construed for any purpose to be a partner, joint venturer, agent or associate of any Borrower or of any lessee, operator, concessionaire or licensee of any Borrower in the conduct of its business, and by the execution of this Agreement, each Borrower agrees to indemnify, defend, and hold Lender harmless from and against any and all damages, costs, expenses and liability that may be incurred by Lender as a result of a claim that Lender is such partner, joint venturer, agent or associate..

(f) Disbursement. This Agreement has been made and delivered in Pasadena, California and all funds disbursed to or for the benefit of Borrowers will be disbursed in Pasadena, California.

(g) Successors and Assigns. This Agreement and the other Loan Documents shall be binding upon and enforceable against Borrowers and Guarantors and their respective permitted successors and assigns. This Agreement shall inure to the benefit of and may be enforced by Lender and its successors and assigns.

(h) Severable Loan Provisions. If any provision of this Agreement is deemed to be invalid by reason of the operation of law, or by reason of the interpretation placed thereon by any administrative agency or any court, the remaining provisions, to the maximum extent permitted by law, shall remain in full force and effect.

(i) Rules of Construction. The parties acknowledge that the parties have reviewed and revised this Agreement and the other Loan Documents and agree that the normal rule of construction - to the effect that any ambiguities are to be resolved against the drafting party - shall not be employed in the interpretation of this Agreement or any exhibits or amendments hereto.

(j) Savings Clause. Notwithstanding anything to the contrary in this Agreement, (i) all agreements between Borrowers and Lender are hereby and shall automatically be limited so that, after taking into account all amounts deemed interest, the interest contracted for, charged or received by Lender shall never exceed the maximum rate permitted by law (the "Highest Lawful Rate"), and (ii) if through any contingency or event, Lender receives or is deemed to receive interest in excess of the Highest Lawful Rate, any such excess shall be deemed to have been applied toward payment of the principal of any and all then outstanding indebtedness of Borrowers to Lender, or if there is no such indebtedness, shall immediately be returned to Borrowers.

(k) Assignability. Lender shall have the right, in its sole discretion, to assign, sell or transfer its interest in the Loans and any Collateral provided hereunder, whether by operation of law or otherwise. In such event, all references in the Loan Documents to Lender shall be deemed to refer to such assignee or successor in interest and such assignee or successor in interest shall thereafter stand in the place of Lender. Borrowers shall accord full recognition to any such assignment, and all rights and remedies of Lender in connection with the interest so assigned shall be as fully enforceable by such assignee as they were by Lender before such assignment. In connection with any such assignment, Lender shall be entitled to disclose to the proposed assignee any information that any Borrower has delivered to Lender, provided such assignee agrees to treat such information as confidential. Upon such assignment, Lender thereafter shall be relieved from all liability with respect to such Collateral. In addition, Lender may at any time sell one or more participations in the Loans. No Borrower may assign its interest in this Agreement, or any other agreement with Lender or any portion thereof, either voluntarily or by operation of law, without the prior written consent of Lender, in Lender's sole discretion.

(l) Execution in Counterparts; Electronic Signatures. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, and all of such counterparts shall constitute one document. To facilitate execution of this Agreement, the parties may execute and exchange signature pages by electronic mail (*.pdf or similar file types). The parties further agree that counterparts of this Agreement may be signed electronically via Adobe Sign®, DocuSign® protocols or other electronic platforms. All such signatures may be used in the place of original "wet ink" signatures to this Agreement and shall have the same legal effect as the physical delivery of an original signature.

(m) Further Assurances. In addition to the acts and deeds required hereunder, each Borrower agrees to perform, execute and deliver such further documents and assurances as may be reasonably necessary to consummate the transactions contemplated hereby or to further provide for the delivery or perfection of the Loans provided hereunder.

(n) Acknowledgement. Each Borrower acknowledges the law firm of Dorsey & Whitney LLP (the "Firm") has prepared this Agreement and the other Loan Documents on behalf of Lender. The Firm does not represent Borrowers, Guarantors, or Pledgors in connection with this Agreement or any other Loan Document, nor possess fiduciary duties to Borrowers, Guarantors, or Pledgors in connection with this Agreement or any other Loan Document, and Borrowers, Guarantors, and Pledgors have had the opportunity to engage his or her own independent tax and legal counsel in connection with the Loans and the execution of the Loan Documents.

(o) Business Day. If the payment or performance by any Loan Party is due on a day that is not a Business Day, then such payment or performance shall be due on the next succeeding day that is a Business Day.

13. NOTICES. Any notice to be given to the parties hereunder shall be deemed to have been given to and received by them and shall be effective when personally delivered, by Federal Express® or similar nationally recognized overnight delivery service, or when deposited in the U.S. mail, certified or registered mail, return receipt requested, postage prepaid, and addressed as follows, or at such other address as one of the parties may hereafter designate in writing to the other party in accordance with this Section 13:

Lender:	Pasadena Private Lending Inc. 2 North Lake Avenue, Suite 510 Pasadena, California 91101 Attn: Jason Shlecter
With a copy to:	Dorsey & Whitney, LLP 200 Crescent Court Suite 1600 Dallas, Texas 75201 Attn: Larry Makel
Borrowers:	Ross Sklar 706 N Citrus Ave., Los Angeles, CA, 90038
With a copy to:	Peter Hogan 1000 Wilshire Blvd., Suite 1500 Los Angeles, CA, 90017
Guarantors:	the address set forth next to each Guarantor's signature on the signature page(s) hereof

14. CONSENT TO JURISDICTION. TO INDUCE LENDER TO ACCEPT THIS AGREEMENT, EACH LOAN PARTY IRREVOCABLY AGREES THAT, SUBJECT TO LENDER'S SOLE AND ABSOLUTE ELECTION, ALL ACTIONS OR PROCEEDINGS IN ANY WAY ARISING OUT OF OR RELATED TO THIS AGREEMENT WILL BE LITIGATED IN COURTS HAVING SITUS IN LOS ANGELES COUNTY, CALIFORNIA. EACH LOAN PARTY HEREBY CONSENTS AND SUBMITS TO THE JURISDICTION OF ANY COURT LOCATED WITHIN LOS ANGELES COUNTY, CALIFORNIA, WAIVES PERSONAL SERVICE OF PROCESS UPON SUCH LOAN PARTY, AND AGREES THAT ALL SUCH SERVICE OF PROCESS MAY BE MADE BY REGISTERED MAIL DIRECTED TO SUCH LOAN PARTY AT THE ADDRESS STATED IN THIS AGREEMENT AND SERVICE SO MADE WILL BE DEEMED TO BE COMPLETED UPON ACTUAL RECEIPT.

15. WAIVER OF JURY TRIAL/JUDICIAL REFERENCE.

(a) EACH LOAN PARTY AND LENDER (BY ACCEPTANCE OF THIS AGREEMENT), HAVING BEEN REPRESENTED BY COUNSEL, EACH KNOWINGLY AND VOLUNTARILY WAIVES ANY RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING TO ENFORCE OR DEFEND ANY RIGHTS (i) UNDER THIS AGREEMENT OR ANY RELATED AGREEMENT OR UNDER ANY AMENDMENT, INSTRUMENT, DOCUMENT OR AGREEMENT DELIVERED OR WHICH MAY IN THE FUTURE BE DELIVERED IN CONNECTION WITH THIS AGREEMENT OR (ii) ARISING FROM ANY BUSINESS RELATIONSHIP EXISTING IN CONNECTION WITH THIS AGREEMENT (COLLECTIVELY, THE FOREGOING CLAUSES (i) AND (ii), "RIGHTS"), AND AGREES THAT ANY SUCH ACTION OR PROCEEDING WILL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY. EACH LOAN PARTY AGREES THAT IT WILL NOT ASSERT ANY CLAIM AGAINST THE LENDER ON ANY THEORY OF LIABILITY FOR SPECIAL, INDIRECT, CONSEQUENTIAL, INCIDENTAL OR PUNITIVE DAMAGES; PROVIDED THAT THE FOREGOING SHALL NOT LIMIT THE LOAN PARTIES' INDEMNIFICATION OBLIGATIONS TO THE INDEMNIFIED PARTIES PURSUANT TO SECTION 11.

(b) IN THE EVENT THAT THE JURY WAIVER PROVISIONS OF SECTION 15(a) ARE NOT ENFORCEABLE UNDER CALIFORNIA LAW, THEN THE PROVISIONS OF THIS SECTION 15(b) SHALL APPLY. EACH LOAN PARTY AND LENDER AGREE THAT ANY DISPUTES ARISING IN CONNECTION WITH THEIR RESPECTIVE RIGHTS (AS DEFINED IN SECTION 15(a), SHALL BE RESOLVED (AND A DECISION SHALL BE RENDERED) BY WAY OF A GENERAL REFERENCE AS PROVIDED FOR IN PART 2, TITLE 8, CHAPTER 6 (§ 638 ET. SEQ.) OF THE CALIFORNIA CODE OF CIVIL PROCEDURE, OR ANY SUCCESSOR CALIFORNIA STATUTE GOVERNING RESOLUTION OF DISPUTES BY A COURT APPOINTED REFEREE.

16. JOINT AND SEVERAL LIABILITY.

(a) Each Borrower agrees that it is jointly and severally liable to Lender for the payment of all obligations arising under this Agreement, and that such liability is independent of the obligations of the other Borrower(s). Each obligation, promise, covenant, representation and warranty in this Agreement shall be deemed to have been made by, and be binding upon, each Borrower, unless this Agreement expressly provides otherwise. Lender may bring an action against any Borrower, whether an action is brought against the other Borrower(s).

(b) Each Borrower agrees that any release which may be given by Lender to the other Borrower(s) or any Guarantor or Pledgor will not release such Borrower from its obligations under this Agreement.

(c) Each Borrower waives any right to assert against Lender any defense, setoff, counterclaim, or claims which such Borrower may have against the other Borrower(s) or any other party liable to Lender for the obligations of such Borrower under this Agreement.

(d) Each Borrower waives any defense by reason of any other Borrower's or any other person's defense, disability, or release from liability. Lender can exercise its rights against each Borrower even if any other Borrower or any other person no longer is liable because of a statute of limitations or for other reasons.

(e) Each Borrower agrees that it is solely responsible for keeping itself informed as to the financial condition of the other Borrower(s) and of all circumstances which bear upon the risk of nonpayment. Each Borrower waives any right it may have to require Lender to disclose to such Borrower any information which Lender may now or hereafter acquire concerning the financial condition of the other Borrower(s).

(f) Each Borrower waives all rights to notices of default or nonperformance by any other Borrower under this Agreement (other than any notices required to be delivered under the Loan Documents). Each Borrower further waives all rights to notices of the existence or the creation of new indebtedness by any other Borrower and all rights to any other notices to any party liable on any of the credit extended under this Agreement.

(g) Each Borrower represents and warrants to Lender that each Borrower will derive benefit, directly and indirectly, from the collective administration and availability of credit under this Agreement. Each Borrower agrees that Lender will not be required to inquire as to the disposition by any Borrower of funds disbursed in accordance with the terms of this Agreement.

(h) Until all obligations of Borrowers to Lender under this Agreement have been paid in full and any commitments of Lender or facilities provided by Lender under this Agreement have been terminated, each Borrower waives any right of subrogation, reimbursement, indemnification and contribution (contractual, statutory or otherwise), which such Borrower may now or hereafter have against any other Borrower with respect to the indebtedness incurred under this Agreement.

(i) Each Borrower waives any right to require Lender to proceed against any other Borrower or any other person; proceed against or exhaust any security; or pursue any other remedy. Further, each Borrower consents to the taking of, or failure to take, any action which might in any manner or to any extent vary the risks of any Borrower under this Agreement or which, but for this provision, might operate as a discharge of any Borrower.

(j) Lender represents and warrants to Borrowers that each Borrower's commitment to repay the Loans pursuant to the terms of this Agreement and the other Loan Documents and granting Encumbrances on the Collateral to secure such repayment pursuant to the Security Agreements are material inducements to and consideration for Lender entering into this Agreement and making the Loans and that Lender would not be entering into this Agreement and making the Loans otherwise.

17. CUSTOMER IDENTIFICATION - USA PATRIOT ACT NOTICE; OFAC AND BANK SECRECY ACT . Lender hereby notifies the Loan Parties that pursuant to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56, signed into law October 26, 2001) (the "Act"), and Lender's policies and practices, Lender is required to obtain, verify and record certain information and documentation that identifies the Loan Parties, which information includes the name and address of the Loan Parties and such other information that will allow Lender to identify the Loan Parties in accordance with the Act. In addition, each Loan Party shall (i) ensure that no person who owns a controlling interest in or otherwise controls such Loan Party or any subsidiary of such Loan Party is or shall be listed on the Specially Designated Nationals and Blocked Person List or other similar lists maintained by the OFAC, the Department of the Treasury or included in any Executive Orders, (ii) not use or permit the use of the proceeds of the Loans to violate any of the foreign asset control regulations of OFAC or any enabling statute or Executive Order relating thereto, and (iii) comply, and cause its Affiliates to comply, with all applicable Bank Secrecy Act laws and regulations, as amended.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties have executed and delivered this Agreement as of the Effective Date.

LENDER:

PASADENA PRIVATE LENDING INC.,

a Delaware corporation

By: */s/ Jason Schlecter*
Name: Jason Shlecter
Title: Secretary

BORROWERS:

STARCO BRANDS, INC.,
a Nevada corporation

By: */s/ Ross Sklar*
Name: Ross Sklar
Title: Chief Executive Officer

STARCO BRANDS, LLC,
a Nevada limited liability company

By: */s/ Ross Sklar*
Name: Ross Sklar
Title: Chief Executive Officer

STARCO MANUFACTURING, LLC,
a Nevada limited liability company

By: */s/ Ross Sklar*
Name: Ross Sklar
Title: Chief Executive Officer

THE AOS GROUP INC.,
a Delaware corporation

By: */s/ Ross Sklar*
Name: Ross Sklar
Title: Chief Executive Officer

SOYLENT NUTRITION, INC.,
a Delaware corporation

By: */s/ Ross Sklar*
Name: Ross Sklar
Title: Chief Executive Officer

SKYLAR BODY, LLC,
a Delaware limited liability company

By: */s/ Ross Sklar*
Name: Ross Sklar
Title: Chief Executive Officer

[SIGNATURE PAGE TO LOAN AGREEMENT]

WHIPSHOTS, LLC,
a Wyoming limited liability company

By: */s/ Ross Sklar*
Name: Ross Sklar
Title: Chief Executive Officer

WHIPSHOTS HOLDINGS, LLC,
a Delaware limited liability company

By: */s/ Ross Sklar*
Name: Ross Sklar
Title: Chief Executive Officer

[SIGNATURE PAGE TO LOAN AGREEMENT]

GUARANTORS:

Address:

706 N Citrus Ave.,
Los Angeles, CA, 90038

/s/ Ross Sklar
Ross Sklar, an individual

[REDACTED] IRREVOCABLE TRUST

Address:

706 N Citrus Ave.,
Los Angeles, CA, 90038

By: */s/ Marin Sklar*
Name: Marin Sklar
Title: Trustee

[REDACTED] IRREVOCABLE TRUST

Address:

706 N Citrus Ave.,
Los Angeles, CA, 90038

By: */s/ Marin Sklar*
Name: Marin Sklar
Title: Trustee

[REDACTED] IRREVOCABLE TRUST

Address:

706 N Citrus Ave.,
Los Angeles, CA, 90038

By: */s/ Marin Sklar*
Name: Marin Sklar
Title: Trustee

[REDACTED] TRUST

Address:

706 N Citrus Ave.,
Los Angeles, CA, 90038

By: */s/ Ross Sklar*
Name: Ross Sklar
Title: Trustee

[SIGNATURE PAGE TO LOAN AGREEMENT]

THIS NOTE AND THE SECURITIES ISSUABLE UPON THE CONVERSION HEREOF HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "**ACT**"), OR UNDER THE SECURITIES LAWS OF ANY STATE IN THE UNITED STATES. THESE SECURITIES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE ACT AND THE APPLICABLE STATE SECURITIES LAWS, PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. THE ISSUER OF THESE SECURITIES MAY REQUIRE AN OPINION OF COUNSEL IN FORM AND SUBSTANCE SATISFACTORY TO THE ISSUER TO THE EFFECT THAT ANY PROPOSED TRANSFER OR RESALE IS IN COMPLIANCE WITH THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS.

THIS NOTE IS SUBJECT TO THAT CERTAIN SUBORDINATION AGREEMENT, DATED AS OF JULY 15, 2026, AMONG PASADENA PRIVATE LENDING INC., A DELAWARE CORPORATION, HOLDER (AS DEFINED BELOW), STARCO BRANDS, INC., A NEVADA CORPORATION, THE STARCO GROUP, INC., A WYOMING CORPORATION AND ROSS SKLAR. BY ITS ACCEPTANCE OF THIS INSTRUMENT, THE HOLDER HEREOF AGREES TO BE BOUND BY THE PROVISIONS OF SUCH SUBORDINATION AGREEMENT TO THE SAME EXTENT THAT JUNIOR LENDER (AS DEFINED THEREIN) IS BOUND.

AMENDED AND RESTATED SECURED CONVERTIBLE PROMISSORY NOTE

Date of Note: July 15, 2026
Principal Amount of Note: $3,472,500.00

For value received **Starco Brands, Inc.**, a Nevada corporation (the "**Company**"), issues this Amended and Restated Secured Convertible Promissory Note (the "**Note**") in favor of, and promises to pay to, the undersigned holder or such party's assigns (the "**Holder**") the principal amount set forth above with simple interest on the outstanding principal amount at the Interest Rate (as defined below), from the date hereof until this Note shall have been repaid in full or converted; provided, however, that, if any Event of Default shall occur, the then outstanding principal amount of this Note shall thereafter bear interest at a rate equal to the then applicable Interest Rate plus five percent (5.00%), subject to adjustment) per annum (the "**Default Rate**"), until all such principal and accrued interest due on this Note is repaid in full or converted. All accrued and unpaid interest and principal shall be due and payable on the Maturity Date. The "**Maturity Date**" will be March 31, 2030, provided that request for payment on such date is delivered to the Company by the Holder at any time within the thirty-day period ended on such date, and if no such request for payment is made, then the Maturity Date will be successively extended each year to the next anniversary of the then-current Maturity Date, provided that the Maturity Date will not be so extended if the Holder requests payment during the thirty-day period prior to the then-current Maturity Date, in which case all unpaid interest and principal shall be due and payable on such then-current Maturity Date.

WHEREAS, the Company has issued that certain Consolidated Secured Promissory Note dated August 11, 2023, in the original principal amount of $4,000,000 (the "**Original Note**"), to Holder, as amended by that certain Amendment Number One to Consolidated Secured Promissory Note, dated May 31, 2024 ("**Amendment 1**"), and as further amended by that certain Amendment Number Two to Consolidated Secured Promissory Note, dated August 13, 2025 ("**Amendment 2**" and the Original Note as amended by Amendment 1 and Amendment 2, the "**Existing Note**").

WHEREAS, the outstanding principal balance of the Existing Note as of the date hereof is $3,472,500.00;

WHEREAS, the Company and Holder entered into that certain Security Agreement dated as of August 11, 2023 (as amended or restated from time to time, the "**Security Agreement**"), which grants Holder a security interest in the Collateral (as defined in the Security Agreement) to secure the obligations owing by the Company to Holder under this Note;

WHEREAS, the Company and certain of its subsidiaries and affiliates are entering into (i) that certain Loan Agreement, of even date herewith with Pasadena Private Lending Inc., a Delaware corporation ("**PPL**", and such Loan Agreement the "**PPL Loan Agreement**"), pursuant to which PPL is making available to the Company and such subsidiaries and affiliates secured revolving and term loan credit facilities (the "**PPL Loans**"); and (ii) that certain Security Agreement, of even date herewith with PPL (the "**PPL Security Agreement**"), which grants PPL a security interest in the Collateral (as defined in the PPL Security Agreement) to secure the PPL Loans;

WHEREAS, Lender and PPL have entered into that certain Subordination Agreement, of even date herewith, (the "**PPL Subordination Agreement**"), pursuant to which the repayment of this Note has been subordinated to the repayment of the PPL Loans and the security interest of Holder under the Security Agreement has been subordinated to the security interest of PPL under the PPL Security Agreement;

WHEREAS, in consideration of the Company, among other things, paying the accrued interest under the Existing Note and granting Holder the right to convert into Class A common stock of the Company, Holder agrees to waive any and all events of default existing under the Existing Note and extend the maturity date of the obligations under the Existing Note as set forth herein; and

WHEREAS, the issuance of this Note shall amend and restate the Existing Note, which shall be null and void and of no further force and effect following the date of this Note, but shall not constitute a novation of any of the obligations, liabilities and indebtedness under the Existing Note.

NOW THEREFORE, in consideration of the foregoing premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Company and Holder hereto agree as follows:

1. Basic Terms.

(a) Interest. Interest on the principal balance of this Note shall accrue at an interest rate equal to the Wall Street Journal Prime Rate (the "**Prime Rate**") plus two percent (2.00%)(for a current interest rate of eight and three quarters percent (8.75%), subject to adjustment) per annum (the "**Interest Rate**"). The Prime Rate will be reset on the 1st day of each month during the term of this Note. Interest shall be computed on the basis of a year of 365 days for the actual number of days elapsed.

(b) Payments. On the first day of each month after the date of this Note, the Company shall pay to Holder all accrued but unpaid interest hereunder. Any amounts paid by Company in excess of the interest then due and payable shall be credited against the principal balance of this Note. The principal balance of, and all accrued but unpaid interest under, this Note shall be due and payable immediately prior to a Change of Control, unless converted pursuant to Section 2(e) and subject to Section 2(g). All payments of interest and principal shall be in lawful money of the United States of America. The Company may prepay this Note at any time without penalty or premium. Notwithstanding anything to the contrary herein, prior to any repayment by the Company of any portion of the principal amount of this Note, whether by optional prepayment or payment at maturity, the Company shall give the Holder not less than ten (10) Business Days (as defined below) prior written notice of (i) the amount of the proposed repayment, (ii) the intended date of such repayment, and (iii) the portion of such repayment to be applied to accrued but unpaid interest, and the portion, if any, to be applied to principal. During such ten (10) Business Day period, the Holder may elect to convert all or any portion of the Full Note Amount, including the amount otherwise proposed to be repaid, pursuant to Section 2(a). For purposes of this Note, "**Business Day**" means any day other than a Saturday, Sunday or other day on which commercial banks in Los Angeles, California are authorized or required by law to close.

(c) Subordination Each of the Company and the Holder hereby acknowledges and agrees that this Note, together with all indebtedness and other obligations represented hereby, shall be subordinated in right of payment and collection to the prior payment and collection in full of all indebtedness and other amounts outstanding and/or payable under Senior Facilities from time to time in effect. For purposes hereof, "**Senior Facilities**" shall mean any and all loans, commercial credit arrangements and/or any and all credit facilities extended by a commercial bank, a commercial finance provider or any other institutional lender, and/or any and all equipment financing arrangements, and/or any and all revolving debt or line of credit facilities, in each case, in effect from time to time, pursuant to which the Company is a borrower and one or more unaffiliated third parties is/are the creditor(s), but in each case excluding this Note; including, without limitation, all present and future indebtedness, obligations and liabilities of the Company to PPL pursuant to the PPL Loan Agreement. Borrower and Holder agree that this Note is subject to the PPL Subordination Agreement, and as such all obligations of the Company with respect to this Note and Holder's rights hereunder are subordinate and junior to the extent and in the manner set forth in the PPL Subordination Agreement. The Holder shall further execute and deliver such additional documents and instruments as the Company may reasonably request from time to time to evidence the subordination of this Note and the indebtedness and other obligations hereunder to any other Senior Facilities.

2. Conversion and Repayment. This Note shall be convertible into validly issued, fully paid and non-assessable shares of Class A common stock of the Company, par value $0.001 per share ("**Class A Shares**"), on the terms and conditions set forth in this Section 2. Subject to the provisions of this Section 2, the Holder shall be entitled to convert all of the then outstanding principal hereunder, accrued and unpaid interest hereunder, and accrued and unpaid late charges on such principal and interest (collectively, the "**Full Note Amount**"), or any portion thereof (the portion of the Full Note Amount subject to conversion, the "**Conversion Amount**"), into Class A Shares at $0.04 per Class A Share (the price at which this Note converts, the "**Conversion Price**"). The Company shall not issue any fraction of a share of Class A Shares upon any conversion. If the issuance would result in the issuance of a fraction of a share of Class A Shares, the Company shall round such fraction of a share of Class A Shares down to the nearest whole share.

(a) Optional Conversion. To convert any Conversion Amount into Class A Shares on any date (each, a "**Conversion Date**"), the Holder shall deliver, pursuant to Section 5(j) for receipt by the Company on or prior to 5:00 p.m., Los Angeles, California time on such Conversion Date, a copy of an executed notice of conversion in the form attached hereto as Exhibit I (the "**Conversion Notice**") to the Company. Conversion hereunder shall have the effect of reducing the then-outstanding Full Note Amount by the applicable Conversion Amount. No later than five (5) days after each Conversion Date (the "**Share Delivery Date**"), Company shall cause to be delivered to the Holder the Class A Shares representing the full number of Class A Shares acquired upon the applicable conversion pursuant to the Conversion Notice.

(b) Conversion upon a Financing. In the event that the Company issues and sells its equity securities to investors, netting gross proceeds to the Company of at least $10,000,000 on or before the Maturity Date (a "**Financing**"), then the Full Note Amount shall automatically convert, without any further action by the Holder, into Class A Shares at the Conversion Price.

(c) Maturity Date Conversion. In the event that this Note remains outstanding on or after the Maturity Date, then, upon the election of the Company or the Holder, the Full Note Amount shall convert into Class A Shares at the Conversion Price.

(d) Change of Control. If the Company consummates a Change of Control (as defined below) while this Note remains outstanding, the Company shall repay the Holder in cash in an amount equal to the Full Note Amount; *provided, however*, that upon the written election of the Holder made not less than 5 days prior to the Change of Control, the Company shall convert the Full Note Amount into Class A Shares at the Conversion Price. For purposes of this Note, a "**Change of Control**" means (i) a consolidation or merger of the Company with or into any other corporation, limited liability company or other entity or person, or any other reorganization, other than any such consolidation, merger or reorganization in which the shares of the Company immediately prior to such consolidation, merger or reorganization continue to represent a majority of the voting power of the surviving entity immediately after such consolidation, merger or reorganization; (ii) any transaction or series of related transactions to which the Company is a party in which in excess of 50% of the Company's voting power is transferred; or (iii) the sale or transfer of all or substantially all of the Company's assets, or the exclusive license of all or substantially all of the Company's material intellectual property; provided that a Change of Control shall not include any transaction or series of transactions principally for bona fide equity financing purposes in which cash is received by the Company or any successor, indebtedness of the Company is cancelled or converted or a combination thereof. The Company shall give the Holder notice of a Change of Control not less than 10 days prior to the anticipated date of consummation of the Change of Control. Any repayment pursuant to this paragraph in connection with a Change of Control shall be subject to any required tax withholdings, and may be made by the Company (or any party to such Change of Control or its agent) following the Change of Control in connection with payment procedures established in connection with such Change of Control.

(e) Procedure for Conversion. In connection with any conversion of this Note into Class A Shares, the Holder shall surrender this Note to the Company and deliver to the Company any documentation reasonably required by the Company (including, but not limited to, the Conversion Notice). The Company shall not be required to issue or deliver the Class A Shares into which this Note may convert until the Holder has surrendered this Note to the Company and delivered to the Company any such documentation. Upon the conversion of this Note into Class A Shares pursuant to the terms hereof, in lieu of any fractional units to which the Holder would otherwise be entitled, the Company shall pay the Holder cash equal to such fraction multiplied by the Conversion Price. In the event of a conversion of less than the Full Note Amount, a new replacement promissory note in the amount of the remaining principal balance of this Note shall be issued by the Company to Holder.

(f) Interest Accrual. If a Change of Control or Financing is consummated, all interest on this Note shall be deemed to have stopped accruing as of a date selected by the Company that is up to 15 days prior to the signing of the definitive agreement for the Change of Control or Financing.

3. Representations and Warranties.

(a) Representations and Warranties of the Company. The Company hereby represents and warrants to the Holder as of the date hereof as follows:

(i) Organization and Good Standing . The Company is a corporation duly organized, validly existing and in good standing under the laws of its state of formation, and has the power and authority to own, lease and operate its properties and carry on its business as now conducted.

(ii) Corporate Power and Binding Obligation. The execution, delivery and performance by the Company of this Note is within the power of the Company and has been duly authorized by all necessary actions on the part of the Company. This Note constitutes a legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, except as limited by bankruptcy, insolvency or other laws of general application relating to or affecting the enforcement of creditors' rights generally and general principles of equity. To its knowledge, the Company is not in violation of (1) its current articles of incorporation, or (2) any material statute, rule or regulation applicable to the Company, where, in each case, such violation or default, individually, or together with all such violations or defaults, would reasonably be expected to have a material adverse effect on the Company.

(iii) Consents. The performance and consummation of the transactions contemplated by this Note do not and will not: (1) violate any material judgment, statute, rule or regulation applicable to the Company; or (2) result in the creation or imposition of any lien on any property, asset or revenue of the Company or the suspension, forfeiture, or nonrenewal of any material permit, license or authorization applicable to the Company, its business or operations.

(b) Representations and Warranties of the Holder. The Holder hereby represents and warrants to the Company as of the date hereof as follows:

(i) Power and Authorization. The Holder has full legal capacity, power and authority to execute and deliver this Note and to perform its obligations hereunder. This Note constitutes a valid and binding obligation of the Holder, enforceable in accordance with its terms, except as limited by bankruptcy, insolvency or other laws of general application relating to or affecting the enforcement of creditors' rights generally and general principles of equity.

(ii) Investment. The Holder is an accredited investor as such term is defined in Rule 501 of Regulation D under the Act, and acknowledges and agrees that if not an accredited investor at the time of a Financing or other conversion event, the Company may repay this Note in cash. The Holder has been advised that this Note and the underlying securities have not been registered under the Act, or any state securities laws and, therefore, cannot be resold unless they are registered under the Act and applicable state securities laws or unless an exemption from such registration requirements is available. The Holder is purchasing this Note and the securities to be acquired by the Holder hereunder for its own account for investment, not as a nominee or agent, and not with a view to, or for resale in connection with, the distribution thereof, and the Holder has no present intention of selling, granting any participation in, or otherwise distributing the same.

(iii) Information and Sophistication. Without lessening or obviating the representations and warranties of the Company set forth in subsection (a) above, the Holder hereby: (A) acknowledges that the Holder has received all the information the Holder has requested from the Company and the Holder considers necessary or appropriate for deciding whether to acquire the Note, (B) represents that the Holder has had an opportunity to ask questions and receive answers from the Company regarding the terms and conditions of the offering of the Note and to obtain any additional information necessary to verify the accuracy of the information given the Holder and (C) represents that the Holder has such knowledge and experience in financial and business matters that the Holder is capable of evaluating the merits and risk of this investment, is able to incur a complete loss of such investment without impairing the Holder's financial condition and is able to bear the economic risk of such investment for an indefinite period of time.

(iv) Further Limitations on Disposition. Without in any way limiting the representations set forth above, the Holder further agrees not to make any disposition of all or any portion of the securities acquired hereunder (the "**Securities**") unless and until:

(1) There is then in effect a registration statement under the Act covering such proposed disposition and such disposition is made in accordance with such registration statement; or

(2) The Holder shall have notified the Company of the proposed disposition and furnished the Company with a detailed statement of the circumstances surrounding the proposed disposition, and if reasonably requested by the Company, the Holder shall have furnished the Company with an opinion of counsel, reasonably satisfactory to the Company, that such disposition will not require registration under the Act or any applicable state securities laws; provided that no such opinion shall be required for dispositions in compliance with Rule 144 under the Act, except in unusual circumstances.

(3) Notwithstanding the provisions of paragraphs (1) and (2) above, no such registration statement or opinion of counsel shall be necessary for a transfer by the Holder to a partner (or retired partner) or member (or retired member) of the Holder in accordance with partnership or limited liability company interests, or transfers by gift, will or intestate succession to any spouse or lineal descendants or ancestors, if all transferees agree in writing to be subject to the terms hereof to the same extent as if they were the Holders hereunder.

(v) No "Bad Actor" Disqualification. The Holder represents and warrants that neither (A) the Holder nor (B) any entity that controls the Holder or is under the control of, or under common control with, the Holder, is subject to any Disqualification Event, except for Disqualification Events covered by Rule 506(d)(2)(ii) or (iii) or (d)(3) under the Act and disclosed in writing in reasonable detail to the Company. The Holder represents that the Holder has exercised reasonable care to determine the accuracy of the representation made by the Holder in this paragraph, and agrees to notify the Company if the Holder becomes aware of any fact that makes the representation given by the Holder hereunder inaccurate.

(vi) Foreign Investors. If the Holder is not a United States person (as defined by Section 7701(a)(30) of the Internal Revenue Code of 1986, as amended (the "**Code**")), the Holder hereby represents that he, she or it has satisfied itself as to the full observance of the laws of the Holder's jurisdiction in connection with any invitation to subscribe for the Securities or any use of this Note, including (A) the legal requirements within the Holder's jurisdiction for the purchase of the Securities, (B) any foreign exchange restrictions applicable to such purchase, (C) any governmental or other consents that may need to be obtained, and (D) the income tax and other tax consequences, if any, that may be relevant to the purchase, holding, redemption, sale or transfer of the Securities. The Holder's subscription, payment for and continued beneficial ownership of the Securities will not violate any applicable securities or other laws of the Holder's jurisdiction.

(vii) Forward-Looking Statements. With respect to any forecasts, projections of results and other forward-looking statements and information provided to the Holder, the Holder acknowledges that such statements were prepared based upon assumptions deemed reasonable by the Company at the time of preparation. There is no assurance that such statements will prove accurate, and the Company has no obligation to update such statements.

4. Events of Default. If there shall be any Event of Default (as defined below) hereunder, at the option and upon the declaration of the Holders and upon written notice to the Company (which election and notice shall not be required in the case of an Event of Default under subsection (b) or (c) below), this Note shall accelerate and all principal and unpaid accrued interest shall become due and payable. The occurrence of any one or more of the following shall constitute an "**Event of Default**":

(a) The Company fails to pay timely any of the principal, unpaid accrued interest, or other amounts due under this Note on the date the same becomes due and payable, and the Company does not cure such failure within thirty days of written notice of such failure;

(b) The Company files any petition or action for relief under any bankruptcy, reorganization, insolvency or moratorium law or any other law for the relief of, or relating to, debtors, now or hereafter in effect, or makes any assignment for the benefit of creditors or takes any corporate action in furtherance of any of the foregoing; or

(c) An involuntary petition is filed against the Company (unless such petition is dismissed or discharged within 60 days under any bankruptcy statute now or hereafter in effect, or a custodian, receiver, trustee or assignee for the benefit of creditors (or other similar official) is appointed to take possession, custody or control of any property of the Company).

5. Miscellaneous Provisions.

(a) Waivers. The Company hereby waives demand, notice, presentment, protest and notice of dishonor.

(b) Further Assurances. The Holder agrees and covenants that at any time and from time to time the Holder will promptly execute and deliver to the Company such further instruments and documents and take such further action as the Company may reasonably require in order to carry out the full intent and purpose of this Note and to comply with state or federal securities laws or other regulatory approvals.

(c) Transfers of Note. This Note may be transferred only upon its surrender to the Company for registration of transfer, duly endorsed, or accompanied by a duly executed written instrument of transfer in form satisfactory to the Company. Thereupon, this Note shall be reissued to, and registered in the name of, the transferee, or a new Note for like principal amount and interest shall be issued to, and registered in the name of, the transferee. Interest and principal shall be paid solely to the registered holder of this Note. Such payment shall constitute full discharge of the Company's obligation to pay such interest and principal.

(d) Market Standoff. To the extent requested by the Company or an underwriter of securities of the Company, Holder and any permitted transferee thereof shall not, without the prior written consent of the managing underwriters in the IPO (as hereafter defined), offer, sell, make any short sale of, grant or sell any option for the purchase of, lend, pledge, otherwise transfer or dispose of (directly or indirectly), enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership (whether any such transaction is described above or is to be settled by delivery of Securities or other securities, in cash, or otherwise), any Securities or other shares of the Company then owned by such Holder or any transferee thereof, or enter into an agreement to do any of the foregoing, for up to 180 days following the effective date of the registration statement of the initial public offering of the Company (the "**IPO**") filed under the Act. For purposes of this paragraph, "**Company**" includes any wholly owned subsidiary of the Company into which the Company merges or consolidates. The Company may place restrictive legends on the certificates representing the shares subject to this paragraph and may impose stop transfer instructions with respect to the Securities and such shares of Holder and any transferee thereof (and securities of every other person subject to the foregoing restriction) until the end of such period. Holder and any transferee thereof shall enter into any agreement reasonably required by the underwriters to the IPO to implement the foregoing within any reasonable timeframe so requested. The underwriters for any IPO are intended third party beneficiaries of this paragraph and shall have the right, power and authority to enforce the provisions of this paragraph as though they were parties hereto.

(e) Amendment and Waiver. Any term of this Note may be amended or waived with the written consent of the Company and the Holder.

(f) Governing Law. This Note shall be governed by and construed under the laws of the State of Nevada, as applied to agreements among Nevada residents, made and to be performed entirely within the State of Nevada, without giving effect to conflicts of laws principles.

(g) Binding Agreement. The terms and conditions of this Note shall inure to the benefit of and be binding upon the respective successors and assigns of the parties. Nothing in this Note, expressed or implied, is intended to confer upon any third party any rights, remedies, obligations or liabilities under or by reason of this Note, except as expressly provided in this Note.

(h) Counterparts; Manner of Delivery. This Note may be executed 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 ESIGN 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.

(i) Titles and Subtitles. The titles and subtitles used in this Note are used for convenience only and are not to be considered in construing or interpreting this Note.

(j) Notices. All notices required or permitted hereunder shall be in writing and shall be deemed effectively given: (i) upon personal delivery to the party to be notified, (ii) when sent by confirmed electronic mail or facsimile if sent during normal business hours of the recipient, if not, then on the next business day, (iii) five days after having been sent by registered or certified mail, return receipt requested, postage prepaid, or (iv) one day after deposit with a nationally recognized overnight courier, specifying next day delivery, with written verification of receipt. All communications to a party shall be sent to the party's address set forth on the signature page hereto or at such other address(es) as such party may designate by 10 days' advance written notice to the other party hereto.

(k) Expenses. The Company and the Holder shall each bear its respective expenses and legal fees incurred with respect to the negotiation, execution and delivery of this Note and the transactions contemplated herein.

(l) Broker's Fees. Each party hereto represents and warrants that no agent, broker, investment banker, person or firm acting on behalf of or under the authority of such party hereto is or will be entitled to any broker's or finder's fee or any other commission directly or indirectly in connection with the transactions contemplated herein. Each party hereto further agrees to indemnify each other party for any claims, losses or expenses incurred by such other party as a result of the representation in this subsection being untrue.

(m) Entire Agreement. This Note constitutes the full and entire understanding and agreement between the parties with regard to the subjects hereof, and no party shall be liable or bound to any other party in any manner by any representations, warranties, covenants and agreements except as specifically set forth herein.

(n) Amendment and Restatement. This Note amends, restates, supersedes and replaces the Existing Note. Notwithstanding anything to the contrary in the foregoing, (a) the execution and delivery by Borrower of this Note shall not, in any manner or circumstance, be deemed to be a payment of, a novation of, or to have terminated, extinguished or discharged any of the Company's obligations under the Existing Note, all of which obligations shall continue under and shall hereinafter be evidenced and governed by this Note, and (b) all Collateral (as defined in the Security Agreement) securing or supporting the Existing Note shall continue to secure and support this Note

[Signature pages follow]

The parties have executed this **AMENDED AND RESTATED SECURED CONVERTIBLE PROMISSORY NOTE** as of the date first noted above.

COMPANY:

Starco Brands, Inc.

By: */s/ Darin Brown*
Name: Darin Brown
Title: Chief Operating Officer

The parties have executed this **AMENDED AND RESTATED SECURED CONVERTIBLE PROMISSORY NOTE** as of the date first noted above.

HOLDER:

/s/ Ross Sklar
Name: Ross Sklar

<u>Exhibit I</u>
STARCO BRANDS, INC.

CONVERSION NOTICE

Reference is made to the Amended and Restated Secured Convertible Promissory Note (the "**Note**") issued to the undersigned by Starco Brands, Inc., a Nevada corporation (the "**Company**"). In accordance with and pursuant to the Note, the undersigned hereby elects to convert the Conversion Amount (as defined in the Note) of the Note indicated below into shares of Class A common stock of the Company, $0.001 par value per share, as of the date specified below. Capitalized terms not defined herein shall have their respective meanings as set forth in the Note.

Date of Conversion: ____

Conversion Amount to be converted: $_________________________

Conversion Price: $____________

Class A Shares to be issued:_________________________________

Please issue the Class A Shares into which the Conversion Amount of the Note is being converted in the following name and to the following address:

____

____

____

Issue to: _____________________________________

Holder:

____
Ross Sklar
Dated:

Execution Version

SUBORDINATION AGREEMENT

This Subordination Agreement (this "Agreement") is made as of July 15, 2026, by and amongSTARCO BRANDS, INC., a Nevada corporation ("Starco"), THE STARCO GROUP, INC., a Wyoming corporation (" Starco Group"), ROSS SKLAR, an individual residing in the State of California ("Individual Guarantor", and together with Starco Group, collectively, jointly and severally, " Junior Lender"), and PASADENA PRIVATE LENDING INC., a Delaware corporation ("Senior Lender"). Capitalized terms used but not otherwise defined in this Agreement have the meanings ascribed to such terms in the Loan Agreement (as defined below).

Recitals

A. Pursuant to (i) that certain Term Loan Promissory Note of even date herewith in the principal amount of $11,000,000 (the "Term Loan Note"), (ii) any Accordion Term Loan Promissory Note in an aggregate principal amount of up to $4,000,000 (each an "Accordion Term Note"), and (iii) that certain Line of Credit Promissory Note of even date herewith in the principal amount of up to $3,000,000 (the "Line of Credit Note", and together with the Term Loan Note and each Accordion Term Note, each, a "Note," and collectively, the "Notes"), executed by the Borrowers (as defined in the Loan Agreement (as defined below)), and payable to the order of Senior Lender, Starco has become indebted to Senior Lender with respect to the loans (the "**Loans**"), and which are further evidenced by that certain Loan Agreement, dated as of even date herewith, between Starco, the Borrowers from time to time party thereto, the other Loan Parties from time to time party thereto and Senior Lender (as the same may hereafter be amended, restated, renewed, supplemented, replaced, extended or otherwise modified from time to time, the "**Loan Agreement**"), and is evidenced, secured or governed by such other instruments and documents executed in connection with the Loans (together with the Notes and the Loan Agreement, as any of the same may be amended, restated, supplemented, or otherwise modified from time to time, collectively are hereinafter collectively referred to as the "**Loan Documents**"); and

B. In order to induce Senior Lender to make the Loans to the Borrowers pursuant to the Loan Agreement, to make other accommodations to or for the account of the Borrowers, or to grant such renewals or extension of any such Loans, or other accommodation as Senior Lender may deem advisable, each Junior Lender is willing to subordinate the Junior Debt (as defined below) pursuant to the terms herein.

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. Subordination. Each Junior Lender acknowledges and agrees that: (i) all present and future indebtedness, obligations and liabilities of Starco under the loan(s) that are reflected in the financial statements of Starco or any other Loan Party for such Junior Lender, including but not limited to the items as identified in Schedule 1 of this Agreement (collectively, the "Junior Debt"), shall be and are subordinate and junior in right of payment and collection to the payment and collection in full of all present and future indebtedness, obligations and liabilities of Starco or any other Loan Party to Senior Lender under the Notes; and (ii) any and all legal or equitable liens, rights and security interests owned, claimed, or held, or to be owned, claimed or held with respect to the Junior Debt are and shall be in all respects subordinate and inferior to any and all liens, rights, and security interests owned (subject to any Permitted Debt), claimed or held, or to be owned, claimed or held by Senior Lender as security for the obligations under the Loan Agreement and the Notes.

2. Limitations on Payments. Until the Senior Debt shall have been paid in full, no Junior Lender shall receive, accept or retain any direct or indirect payment or reduction (whether by way of loan, set-off or otherwise) in respect of the principal, interest or other sums under the Junior Debt or any security therefore, whether by acceleration or otherwise, except as expressly allowed under Section 5(c) of the Loan Agreement. "Senior Debt" means the outstanding principal amounts of the Loans (as defined in the Loan Agreement) together with all accrued and unpaid interest thereon and all other sums due to Senior Lender with respect to the same.

3. No Impairment. The provisions of this Agreement are intended solely for the purpose of defining the relative rights of each Junior Lender or any holder of the Junior Debt, on the one hand, and Senior Lender or any holder of the Senior Debt, on the other hand, and nothing contained in this Agreement is intended to or shall impair, as between Starco, other creditors, and such Junior Lender or any holder of the Junior Debt, all amounts due and payable in accordance with the Junior Debt, or to affect the relative rights of any Junior Lender or any holder of the Junior Debt from exercising all remedies against Starco otherwise permitted by applicable law, subject to the rights of Senior Lender under the provisions of this Agreement.

4. Modification to Senior Debt. Senior Lender may, at any time and from time to time, without the consent of or notice to Junior Lenders, without incurring any responsibility to any person and without impairing or releasing the obligations of Junior Lenders hereunder (a) change the manner, place or terms of payment of, or change or extend the time of payment of, or renew or alter the Senior Debt; (b) extend, modify or amend any agreement or any other document related to the Senior Debt or the senior liens (the "Senior Liens") associated therewith; (c) sell, exchange, release or otherwise deal with any property by whomsoever at any time pledged or mortgaged to secure or howsoever securing, any of the Senior Debt; (d) release anyone liable in any manner for the payment or collection of any of the Senior Debt; or (e) exercise or refrain from exercising any rights against the Borrowers, the Senior Liens or any other person. No such actions shall breach any duty under this Agreement.

5. Borrower Bankruptcy. In the event of any Borrower's insolvency, reorganization or any case or proceeding under any bankruptcy or insolvency law or laws relating to the relief of debtors, these provisions shall remain in full force and effect, and Senior Lender's claims against each Borrower and the estate of each Borrower shall be paid in full before any payment is made to any Junior Lender.

6. Documentation of and Limitations to Amendment of Junior Debt. Senior Lender acknowledges that, as of the date hereof, each Junior Lender holds a promissory note evidencing the Junior Debt. Following the date of this Agreement, Senior Lender may request that each Junior Lender affixes a legend to the subordinated notes and any other instruments evidencing the Junior Debt stating that such instruments are subject to the terms of this Agreement. No amendment of the documents evidencing or relating to the Junior Debt shall directly or indirectly modify the provisions of this Agreement in any manner which might terminate or impair the subordination of the Junior Debt or the subordination of the security interest or lien that any Junior Lender may have in any property of Starco or any other Loan Party, if any.

7. Term of Subordination. This Agreement shall remain effective for so long as any Borrower owes any amounts to Senior Lender under any Loan Document. If, at any time after payment in full of the Senior Debt any payments of the Senior Debt must be disgorged by Senior Lender for any reason (including, without limitation, the bankruptcy of Borrowers), this Agreement and the relative rights and priorities set forth herein shall be reinstated as to all such disgorged payments as though such payments had not been made and such Junior Lender shall immediately pay over to Senior Lender all payments received with respect to the Junior Debt to the extent that such payments would have been prohibited hereunder.

8. Representation. Starco and each Junior Lender represent and warrant to Senior Lender that: (a) no interest in the Junior Debt has been assigned or otherwise transferred to any person or entity; and (b) payment of the Junior Debt has not been heretofore subordinated to any other creditor of Starco or any other Loan Party. Starco represents and warrants to Senior Lender that it has the requisite power and authority to enter into and perform its obligations under this Agreement.

9. Successors and Assigns. This Agreement shall bind any successors or assignees of each Junior Lender and Starco and shall benefit any successors or assigns of

Senior Lender.

10. Governing Law. THE PARTIES HERETO HEREBY AGREE THAT THIS AGREEMENT AND ALL OTHER LOAN DOCUMENTS, INSTRUMENTS AND AGREEMENTS RELATED TO THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF CALIFORNIA, WITHOUT REGARD TO ITS CONFLICTS OF LAW PROVISIONS.

11. Jury Trial Waiver. THE UNDERSIGNED ACKNOWLEDGE THAT THE RIGHT TO TRIAL BY JURY IS A CONSTITUTIONAL ONE, BUT THAT IT MAY BE WAIVED UNDER CERTAIN CIRCUMSTANCES. TO THE EXTENT PERMITTED BY LAW, EACH PARTY, AFTER CONSULTING (OR HAVING HAD THE OPPORTUNITY TO CONSULT) WITH COUNSEL OF ITS, HIS OR HER CHOICE, KNOWINGLY AND VOLUNTARILY, AND FOR THE MUTUAL BENEFIT OF ALL PARTIES, WAIVES ANY RIGHT TO TRIAL BY JURY IN THE EVENT OF LITIGATION ARISING OUT OF OR RELATED TO THIS AGREEMENT OR ANY OTHER DOCUMENT, INSTRUMENT OR AGREEMENT BETWEEN THE UNDERSIGNED PARTIES.

12. Judicial Reference. IN THE EVENT THAT THE JURY WAIVER PROVISIONS OF SECTION 11 ARE NOT ENFORCEABLE UNDER CALIFORNIA LAW, THEN THE PROVISIONS OF THIS SECTION 12 SHALL APPLY. EACH OF THE PARTIES TO THIS AGREEMENT AGREE THAT ANY DISPUTES ARISING IN CONNECTION WITH THEIR RESPECTIVE UNDER THIS AGREEMENT OR ANY RELATED AGREEMENT OR UNDER ANY AMENDMENT, INSTRUMENT, DOCUMENT OR AGREEMENT DELIVERED OR WHICH MAY IN THE FUTURE BE DELIVERED IN CONNECTION WITH THIS AGREEMENT, OR ARISING FROM ANY BUSINESS RELATIONSHIP EXISTING IN CONNECTION WITH THIS AGREEMENT SHALL BE RESOLVED (AND A DECISION SHALL BE RENDERED) BY WAY OF A GENERAL REFERENCE AS PROVIDED FOR IN PART 2, TITLE 8, CHAPTER 6 (§ 638 ET. SEQ.) OF THE CALIFORNIA CODE OF CIVIL PROCEDURE, OR ANY SUCCESSOR CALIFORNIA STATUTE GOVERNING RESOLUTION OF DISPUTES BY A COURT APPOINTED REFEREE.

13. Severability. If any term or provision of this Agreement shall be determined to be illegal or unenforceable, all other terms and provisions hereof shall nevertheless remain effective and shall be enforced to the fullest extent permitted by law.

14. Notices. Any notices required or capable of being rendered under the provisions of this Agreement shall be in writing and (a) hand delivered; (b) sent by United States Postal Service mail, postage prepaid; (c) sent by a recognized national overnight delivery service, or local same day delivery or courier service, addressed as shown below; or (d) sent by email. Any notice sent shall be deemed to be effective the earlier of the actual delivery, or three (3) business days after deposit in a post office operated by the United States Postal Service, or one (1) business day after deposit with a recognized national overnight delivery service as aforesaid. Any notice personally delivered or delivered through a same-day delivery/courier service as aforesaid, shall be deemed effective upon delivery by the same day delivery/courier service, or refusal of delivery by the addressee. Any notice sent by email shall be deemed effective upon confirmation of the successful transmission by the sender's email source, with confirmation of receipt by the receiving party. Notices shall be addressed as follows:

If to Starco:	Starco Brands, Inc. 706 N. Citrus Ave., Los Angeles, CA, 90038 Attention: Ross Sklar with a copy to: Buchalter 1000 Wilshire Blvd., Suite 1500 Los Angeles, CA 90017 Attention: Peter Hogan
If to Junior Lenders:	The Starco Group Inc. Attention: Ross Sklar 706 N. Citrus Ave., Los Angeles, CA, 90038
If to Senior Lender:	Pasadena Private Lending Inc. 2 North Lake Avenue, Suite 510 Pasadena, California 91101 Attn: Jason Shlecter Email: jshlecter@pasadena-private.com with a copy to: Dorsey & Whitney, LLP 200 Crescent Court Suite 1600 Dallas, Texas 75201 Attn: Larry Makel

15. Entire Agreement; Amendments. This Agreement represents the entire agreement with respect to the subject matter hereof, and supersedes all prior negotiations, agreements and commitments. Each Junior Lender is not relying on any representations made by Senior Lender in entering into this Agreement, and each Junior Lender has kept and will continue to keep itself fully apprised of the financial and other condition of Starco. This Agreement may be amended only by written instrument signed by each Junior Lender, Starco and Senior Lender.

16. Attorneys' Fees. In the event of any legal action to enforce the rights of a party under this Agreement, the party prevailing in such action shall be entitled, in addition to such other relief as may be granted, all reasonable costs and expenses, including reasonable attorneys' fees, incurred in such action.

17. Counterpart Signatures. This Agreement may be executed in any number of counterparts, and when combined, will comprise a single instrument. Facsimile and electronic (e.g., DocuSign) signatures shall have the same legal effect as originals.

[Remainder of page left intentionally blank; Signature page[s] follow[s].]

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the date first above written.

SENIOR LENDER:

PASADENA PRIVATE LENDING INC.

a Delaware corporation

By: */s/ Jason Schlecter*
Name: Jason Shlecter
Title: Secretary

[SIGNATURE PAGE TO SUBORDINATION AGREEMENT]

STARCO:

STARCO BERANDS, INC.,
a Nevada corporation

By: */s/ Ross Sklar*
Name: Ross Sklar
Title: Chief Executive Officer

JUNIOR LENDERS:

/s/ Ross Sklar
ROSS SKLAR, an individual

THE STARCO GROUP, INC.,
a Wyoming corporation

By: */s/ Ross Sklar*
Name: Ross Sklar
Title: Chief Executive Officer

[SIGNATURE PAGE TO SUBORDINATION AGREEMENT]

Schedule 1

Junior Debt

1. Bridge Term Loan Promissory Note dated as of December 22, 2205, executed by Starco Brands, Inc. and payable to the order of The Starco Group, Inc., in the original principal amount of $5,000,000.00.

2. Amended and Restated Secured Convertible Promissory Note dated as of the date hereof, executed by Starco Brands, Inc. and payable to the order of Ross Sklar, in the original principal amount of $3,472,500.00.

Exhibit 99.1

Starco Brands Announces Acquisition of Custom Bakehouse

Custom Bakehouse Further Expands Starco's Vertically Integrated Consumer Products Platform

Acquisition Expected to Add approximately $20 Million in Revenue on an Annual Basis

Los Angeles, Calif.—Starco Brands, Inc. (the "Company" or "Starco") (OTCQB: STCB) announced today that it completed the acquisition of Custom Bakehouse on July 15, 2026, a highly strategic transaction that advances its long-term vision of building a fully integrated consumer products platform by strengthening the Company's manufacturing capabilities and brand portfolio.

The acquisition expands Starco's capabilities across powdered foods, nutritional blends, drink and hydration mixes, baking mixes, dry seasonings, and private-label manufacturing, while creating meaningful manufacturing synergies for existing and future brands. In addition to its manufacturing expertise, Custom Bakehouse brings established customer relationships, private-label capabilities, and recognized consumer brands, including the Sticky Fingers brand and licensed Marie Callender's® baking mixes. Custom Bakehouse operates a 75,000 square foot production facility located in Santa Fe Springs, California. This complementary acquisition adds a new manufacturing capability that vertically integrates products from Starco's current divisions, provides scaled production and innovation and growing brands to its portfolio.

The acquisition of Custom Bakehouse marks another milestone in Starco's strategy of controlling the consumer value chain. From IP creation and formulation through manufacturing and distribution to brand building and marketing, to sales through bricks and mortar retail and online. The acquisition also supports future growth initiatives across the Company's nutrition and wellness portfolio, including expanded powder-based products and supplements.

Custom Bakehouse establishes an important foundation for Starco Manufacturing, the Company's new subsidiary expected to become one of its two primary operating pillars alongside Starco Brands, Inc. Over time, Starco Manufacturing is expected to encompass the Company's manufacturing assets, including The Starco Group. Together with Custom Bakehouse, this brings the Company's vision to life: a diversified and vertically integrated manufacturing platform servicing both private label and its own behavior changing brands.

"Custom Bakehouse has spent more than three decades earning a reputation for deep formulation and manufacturing excellence, and that is exactly the kind of scale and capability we look for," said Ross Sklar, Chairman and Chief Executive Officer of Starco. "We have always believed that manufacturing is far more than production, it is a strategic asset, an innovation hub and fuel for growth. Bringing Custom Bakehouse into Starco gives us direct control of more of the value chain, IP creation, manufacturing and distribution, and allows the Company to move fast across our portfolio. This is exactly the kind of acquisition we believe will compound value for our shareholders."

The Company believes this transaction enhances operational flexibility and scale, supports future acquisition opportunities, and further positions Starco as a unique vertically-integrated consumer products platform capable of creating, manufacturing, marketing, and scaling innovative brands across multiple categories.

Pasadena Private Lending ("PPL"), a $400 million non-bank lender focused on lower middle market companies nationwide, provided the acquisition financing. "We were pleased to finance this acquisition for Starco. We admire their vertical integration model and are supportive of this transformative acquisition," said Iain Whyte, Chairman & CEO of PPL.

Craig Hallum, the investment banker, represented the seller.

About Starco Brands

Starco Brands, Inc. (OTCQB: STCB) invents and acquires consumer products that change behaviors for the better. Today, Starco consists of two operating units, Starco Manufacturing and Starco Brands. Starco Brands has a portfolio of five divisions and Starco Manufacturing houses Custom Bakehouse and the anticipated expansion of Starco's manufacturing assets. A modern-day invention factory to its core, Starco identifies whitespaces across consumer product categories. Starco publicly trades on the OTCQB stock exchange. Visit starcobrands.com for more information.

About Custom Bakehouse

For over thirty years, Custom Bakehouse has been creating premier powder and baking mixes that set the standard in organic and better for you products. Busy consumers love the convenience of the company's lines of delicious mixes, including Marie Callender's Corn Bread and Sticky Fingers Bakeries. Custom Bakehouse also specializes in private label manufacturing for wholesale and retail customers, earning a stellar reputation for formulating, packaging and dry-blending of premium baking mixes, drink mixes, spice & seasoning blends, and batter & breading.

Learn more about Custom Bakehouse at www.custombakehouse.com.

Forward-Looking Statements

Any statements in this press release about STCB's future expectations, plans and prospects, including statements about our proposed transaction, future operations, future financial position and results, market growth, new product launches and product growth, total revenue, as well as other statements containing the words "anticipate," "believe," "continue," "could," "estimate," "expect," "intend," "may," "might," "plan," "potential," "predict," "project," "should," "target," "will," or "would" and similar expressions, constitute forward-looking statements within the meaning of the safe harbor provisions of The Private Securities Litigation Reform Act of 1995. STCB may not actually achieve the plans, intentions or expectations disclosed in these forward-looking statements, and you should not place undue reliance on such forward-looking statements. All forward-looking statements are subject to assumptions, risks and uncertainties that may change at any time, and readers are therefore cautioned that actual results could differ materially from those expressed in any forward-looking statements. STCB undertakes no obligation to update any forward-looking statements as a result of new information, future developments or otherwise, except as expressly required by law. All forward-looking statements in this document are qualified in their entirety by this cautionary statement. The forward-looking statements included in this press release represent STCB's views as of the date hereof. STCB anticipates that subsequent events and developments may cause STCB's views to change.

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