

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

FORM 8-K

CURRENT REPORT

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

Date of Report (Date of earliest event reported): October 13, 2022 (~~October 9, 2022~~)

**THE GREENROSE HOLDING COMPANY INC.**  
(Exact name of Registrant as specified in its charter)

**Delaware**

(State or other jurisdiction of  
incorporation or organization)

**001-39217**

(Commission File Number)

**84-2845696**

(I.R.S. Employer  
Identification Number)

**111 Broadway  
Amityville, NY**

(Address of principal executive offices)

**11701**

(Zip Code)

Registrant's telephone number, including area code: (516) 346-6270

**Not Applicable**

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

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

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

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.

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

<b>Title of Each Class</b>	<b>Name of Each Exchange on Which Registered</b>
Units, each consisting of one share of common stock and one Pink redeemable warrant	OTC
Common stock, par value \$0.0001 per share	OTCQX
Redeemable warrants, exercisable for shares of common stock at an exercise price of \$11.50 per share	OTCQB

### **Item 1.01 Entry into a Material Definitive Agreement.**

On October 12, 2022, The Greenrose Holding Company Inc. (the “Company” or “Greenrose”) as Borrower, together with its wholly-owned subsidiaries Theraplant, LLC and True Harvest Holdings, Inc. as Guarantors, entered into the Forbearance Agreement with the Lenders party to the Credit Agreement dated November 26, 2021 (the “Credit Agreement”) and DXR Finance, LLC as Agent (the “Forbearance Agreement”). Pursuant to the Forbearance Agreement the parties thereto have agreed that the Lenders and the Agent shall provide a limited forbearance (as set forth in Section 2.02 of the Forbearance Agreement) by terms of which the Lenders and the Agent shall forbear from accelerating the Obligations and otherwise exercising any rights, remedies, powers, privileges and defenses under the Credit Agreement and the other Loan Documents (as defined in the Credit Agreement), for the Forbearance Period (as defined in the Section 2.02 of the Forbearance Agreement) that shall expire on the Forbearance Termination Date (as defined in the Forbearance Agreement) and subject to the terms and conditions thereof, solely as a result of the existence of the Specified Defaults listed in the Forbearance Agreement.

The foregoing description of the Forbearance Agreement does not purport to be complete and is subject to and qualified in its entirety by reference to the complete text of the Forbearance Agreement, a copy of which is being filed as Exhibit 10.1 hereto and is incorporated herein by reference.

The Credit Agreement, including the Loan Documents, was previously filed with the Securities and Exchange Commission (the “SEC”) as Exhibit 10.3 to the Current Report on Form 8-K filed on December 2, 2021, as amended and filed with the SEC as Exhibit 10.1 to the Current Report on Form 8-K filed on January 6, 2022, as further amended from time to time.

#### *Secured Promissory Note*

On October 12, 2022, simultaneously with entering into the Forbearance Agreement, the Company entered into a secured promissory note in the principal amount of U.S.\$15,300,000.00 with DXR Finance, LLC as the Agent for the benefit of the Lenders under the Forbearance Agreement (the “Promissory Note”), pursuant to the terms of the Closing Date Warrant and the Delayed Draw Warrant (as defined in the Credit Agreement), as amended, restated, amended and restated, supplemented and otherwise modified from time to time prior to the date of the Promissory Note. On each Interest Payment Date (as defined in the Credit Agreement), the Company shall pay to the Agent U.S.\$1,912,500.00 of the principal amount of the loan. Subject to the acceleration provisions of Section 6 of the Promissory Note, any unpaid principal, fees and accrued and unpaid interest and all other amounts shall be due and payable in full on the date that is two (2) years from the date of the Promissory Note (the “Maturity Date”). The unpaid principal amount of the Promissory Note shall accrue interest daily on the basis of a 360 day year at the LIBO Rate plus sixteen per cent (16.00%) per annum, provided that upon the occurrence and during the continuance of an Event of Default (as defined in the Forbearance Agreement), the outstanding principal amount of this Note and any accrued and unpaid interest and all other overdue amounts shall each bear interest until paid at the stated rate plus two per cent (2.00%) per annum. Interest shall be due and payable in arrears on each Interest Payment Date (as defined in the Credit Agreement). After the Maturity Date (as defined in the Promissory Note and referenced above), interest will continue to accrue on any unpaid principal and shall be due and payable on demand. The LIBO Rate shall not at any time be less than one per cent (1.00%) per annum. The Company may at any time and from time to time prepay any principal amount on the Promissory Note in whole or in part without premium or penalty. Payments and prepayments made by the Company shall be applied first to expenses recoverable under the Promissory Note, then to accrued and unpaid interest and lastly to principal. The Promissory Note is being delivered as required under the terms of the Warrants previously filed with the SEC as Exhibit 10.3 to the Current Report on Form 8-K filed on September 14, 2022.

The foregoing description of the Promissory Note does not purport to be complete and is subject to and qualified in its entirety by reference to the complete text of the Forbearance Agreement, a copy of which is being filed as Exhibit 10.2 hereto and is incorporated herein by reference.

**Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.**

The disclosure with respect to the Promissory Note set forth under Item 1.01 of this Current Report on Form 8-K is incorporated herein by reference.

**Item 2.04 Triggering Events That Accelerate or Increase a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement.**

*Forbearance Agreement*

The information set forth in Item 1.01 above regarding the Forbearance Agreement is incorporated herein by reference.

*Notice of Additional Default*

On October 10, 2022, the Company received a Notice of Additional Default (the "Notice of Additional Default") from the legal representatives on behalf of DXR Finance, LLC ("DXR Finance"), in reference to the Credit Agreement, by and among the Company, as Borrower (as defined in the Credit Agreement), the lenders identified on the signature pages of the Credit Agreement ("Lenders"), and DXR Finance, as Agent (as defined in the Credit Agreement) for the Lenders. This Notice of Additional Default follows the Notice of Default ("Notice of Default") filed with the SEC in a Current Report on Form 8-K filed on October 4, 2022.

In the Notice of Additional Default, DXR Finance notified the Company that the previously reported Impending Default is now an Event of Default because the Company failed to make the interest payment that was due on September 30, 2022 and has failed to cure the failure by making the payment within five (5) business days. In the Notice of Additional Default, DXR Finance indicates it is considering its rights and remedies pursuant to the Loan Documents (as defined in the Credit Agreement), including but not limited to those identified in Section 9.1 of the Credit Agreement with respect to the Specified Defaults (as defined in the Notice of Additional Default) and the Notice of Default, without waiving any rights, remedies, powers, privileges and defenses afforded under the Credit Agreement and Loan Documents. The parties have addressed the Notice of Additional Default by entering into the above referenced Forbearance Agreement. A copy of the Notice of Additional Default is attached as Exhibit 99.1 to this Current Report on Form 8-K and incorporated herein.

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

On October 9, 2022, in accordance with the bylaws of the Company and Delaware law, the Board of Directors of the Company (the "Board") expanded the number of directors on the Board from seven (7) to nine (9) and appointed two (2) new directors, Messrs. Jarom Fawson and Tom Lynch to serve on the Board. Simultaneously, the Board also appointed Messrs. Fawson and Lynch to the Special Committee described below in Item 8.01.

On October 9, 2022, Mr. Jarom Fawson, 48, joined the Greenrose Board. Mr. Fawson is an active private investor and advisor to consumer products companies, with a focus on the cannabis space, and has more than fifteen (15) years of experience advising public and private enterprises, including in the cannabis industry, on capital raising, M&A, corporate strategy and working with entrepreneurs building iconic brands. Prior to joining the Board, Mr. Fawson served as President and Chief Strategy Officer at Flow Cannabis Co. of Redwood Valley, CA. Mr. Fawson was previously a Principal at VMG Partners in San Francisco where he spent more than seven (7) years leading minority and majority equity investments into brand-driven growth companies. While at VMG he served as a Board Member to Stone Brewing, Illegal Mezcal, Nature's Bakery, and Bare Snacks among others. Prior to joining VMG, Mr. Fawson was a Senior Vice President at Moelis & Company and began his finance career as an investment banking Associate in the M&A department at UBS Investment Bank. Mr. Fawson holds an M.B.A. from The University of Chicago Booth School of Business and attained the CFA charterholder designation (currently inactive). The Company believes that Mr. Fawson's extensive financial, turnaround management and board directorship expertise qualify him to serve as one of its directors.

Mr. Fawson will receive a monthly cash retainer of \$20,000.00 for his Board service. Mr. Fawson will not receive any additional compensation from the Company.

There are no family relationships between Mr. Fawson and any of the Company's directors, executive officers or persons nominated or chosen by the Company to become a director or executive officer. Mr. Fawson has not engaged in any related-person transactions required to be disclosed by Item 404(a) of Regulation S-K under the Securities Exchange Act of 1934, as amended.

On October 9, 2022, Tom Lynch, 54, joined the Greenrose Board. Mr. Lynch is a Partner and Senior Managing Director of SierraConstellation Partners. Mr. Lynch has served as an interim then permanent Chief Executive Officer of Medmen from March 2020 until November 2021 and was elected to the Board of Medmen in November 2020 and appointed as Chairman in December 2020 and served the Medmen board until he resigned on November 21, 2021. Prior to joining SierraConstellation Partners in July 2018, Mr. Lynch was the co-founder and Managing Partner of Woods Hole Capital between July 2014 and July 2018. Prior to founding Woods Hole Capital, Mr. Lynch was the Chairman and Chief Executive Officer of Frederick's of Hollywood Group (a publicly traded company). Prior to joining Frederick's, Mr. Lynch was the CEO of Mellon HBV later renamed Fursa Alternative Strategies. Mr. Lynch has held executive positions with Mellon Institutional Asset Management, UBS Global Asset Management and the Dreyfus Corporation. Mr. Lynch is a graduate of St. Anselm College. The Company believes that Mr. Lynch's extensive financial, turnaround management and board directorship expertise qualify him to serve as one of its directors.

Mr. Lynch will receive a monthly cash retainer of \$20,000.00 for his Board service. Mr. Lynch will not receive any additional compensation from the Company.

There are no family relationships between Mr. Lynch and any of the Company's directors, executive officers or persons nominated or chosen by the Company to become a director or executive officer. Mr. Lynch has not engaged in any related-person transactions required to be disclosed by Item 404(a) of Regulation S-K under the Securities Exchange Act of 1934, as amended.

#### **Item 8.01 Other Events.**

##### *Appointment of Special Committee*

In light of, among other things, the Company's Notice of Default, the Company's ongoing liquidity needs, and the Company's review of its strategic alternatives, the Board of Directors has established a Special Committee to consider, direct, evaluate, negotiate, oversee, and approve, as appropriate, various strategic alternatives or transactions that may be available to the Company with respect to the Company's corporate or capital structure, including, but not limited to, a financing, sale, and/or a potential restructuring transaction. The Special Committee is comprised of Messrs. John Falcon, Jarom Fawson and Tom Lynch.

#### **Item 9.01. Financial Statements and Exhibits.**

##### **(d) Exhibits**

<b>Exhibit Number</b>	<b>Exhibit Description</b>
10.1	<a href="#">Forbearance Agreement dated October 12, 2022, between The Greenrose Holding Company Inc., Theraplant, LLC and True Harvest Holdings as Credit Parties, the Lenders and DXR Finance, LLC as Agent</a>
10.2	<a href="#">Promissory Note dated October 12, 2022, between The Greenrose Holding Company Inc., Theraplant, LLC and DXR Finance, LLC as Agent</a>
99.1	<a href="#">Notice of Additional Default, dated October 10, 2022</a>
104	Cover Page Interactive Data File (formatted in Inline XBRL and contained in Exhibit 101)

**SIGNATURE**

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

**THE GREENROSE HOLDING COMPANY INC.**

Date: October 13, 2022

By: /s/ Tim Bossidy

Name: Tim Bossidy

Title: Interim Chief Executive Officer

**FORBEARANCE AGREEMENT**

This FORBEARANCE AGREEMENT (this “**Agreement**”) dated as of October 12, 2022, by and among The Greenrose Holding Company Inc. (the “**Borrower**”), Theraplant, LLC and True Harvest Holdings, Inc. (the “**Guarantor**” and together with the Borrower, the “**Credit Parties**”), the Lenders party to the Credit Agreement (as defined below) listed on the signature pages hereto (the “**Lenders**”) and DXR Finance, LLC, in its capacity as Administrative Agent and Collateral Agent (in such capacities, the “**Agent**”) under the Credit Agreement.

WHEREAS, reference is made to the Credit Agreement dated as of November 26, 2021, among the Borrower, the Guarantors party thereto, the Lenders party thereto, certain other parties and the Agent (as amended, modified and supplemented from time to time, the “**Credit Agreement**”);

WHEREAS, the Credit Parties have requested that the Lenders and the Agent forbear from accelerating the Obligations and otherwise exercising any rights, remedies, powers, privileges and defenses under the Credit Agreement and the other Loan Documents, for the period of time set forth herein and subject to the terms and conditions hereof, solely with respect to the following (x) currently existing Events of Default and (y) expected or anticipated Events of Default (collectively, the “**Specified Defaults**”):

(a) Events of Default under Section 8.1(b) of the Credit Agreement relating to the failure and expected failure of the Credit Parties to comply with the financial covenants contained in Section 7.1 (relating to Adjusted EBITDA), Section 7.2 (relating to the Total Net Leverage Ratio) and Section 7.3 (relating to the Secured Net Leverage Ratio) of the Credit Agreement, in each case solely for the fiscal quarters ending June 30, 2022 and September 30, 2022;

(b) Events of Default under Section 8.1(b) of the Credit Agreement relating to the failure of the Credit Parties to comply with the covenant contained in Section 5.1 of the Credit Agreement, including relating to (i) the failure of the Borrower to deliver its annual financial statements for the fiscal year ending December 31, 2021 within ninety (90) days after the end of such fiscal year, together with a report thereon by independent certified public accountants that is unqualified as to going concern; (ii) the failure of the Borrower to deliver its quarterly financial statements for the fiscal quarter ending for the quarter ended June 30, 2022 within the required time period; (iii) the failure of the Borrower to deliver monthly financial statements within the required time periods; and (iv) the failure of the Borrower to deliver copies of all periodic and other notices, minutes, consents, reports statements and other materials distributed to the Board of Directors within the required time period;

(c) Events of Default under Section 8.1(b) of the Credit Agreement relating to the failure of the Credit Parties to comply with the covenant contained in Section 5.14 of the Credit Agreement (relating to the failure of the Credit Parties to (x) hold a meeting, within ninety (90) days after the close of the fiscal year ending December 31, 2021 with all Lenders to review the financial results of the previous fiscal year and the financial condition of the Credit Parties and the projections presented for the current fiscal year of the Borrower and (y) hold and participate in a conference call with the Lenders for the fiscal quarter ending March 30, 2022);

(d) Events of Default under Section 8.1(g) and (p) of the Credit Agreement relating to (x) the Credit Parties’ failure to make certain payments owed pursuant to: (i) the Promissory Notes in favor of Next Step; (ii) the Promissory Notes in favor of TH LLC; and (iii) the Theraplant Acquisition Agreement, or (y) otherwise relating to the occurrence of any other Specified Default;

(e) an Event of Default under Section 8.1(h) of the Credit Agreement relating to the representation made by the Credit Parties in Section 4.13 of the Credit Agreement that no broker's or finder's fee or commission would be payable with respect to the Credit Agreement or the transactions contemplated thereby;

(f) an Event of Default under Section 8.1(b) of the Credit Agreement relating to the failure of the Credit Parties to comply with Section 6.1 of the Credit Agreement as a result of the issuance by the Borrower of that certain Non-Interest Bearing Promissory Note dated as of April 13, 2022 in favor of Imperial Capital LLC;

(g) an Event of Default under Section 8.1(a) of the Credit Agreement relating to the failure of the Credit Parties to pay the interest payment due under the Credit Agreement on September 30, 2022, which failure has continued beyond the applicable five (5) Business Day grace period;

(h) an Event of Default under Section 8.1(b) of the Credit Agreement relating to the failure of the Credit Parties to comply with Section 5.13 of the Credit Agreement as a result of the failure of the Borrower to issue and deliver promissory notes to the Agent for the benefit of the Lenders pursuant to the terms of the Closing Date Warrant and the Delayed Draw Warrant, as amended, restated, amended and restated, supplemented and otherwise modified from time to time prior to the date hereof);

(i) an Event of Default under Section 8.1(b) of the Credit Agreement relating to the Credit Parties failure to comply with Section 6.1 of the Credit Agreement as a result of the Borrower's incurrence of the obligations to pay the Payment Amounts under and as defined in that certain side letter dated March 12, 2021;

(j) Events of Default under Section 8.1(b) of the Credit Agreement relating to the Credit Parties failure to comply with Section 6.1 of the Credit Agreement as a result of certain accounts payable owing by the Credit Parties and/or their Subsidiaries that are more than ninety (90) days past due;

(k) an Event of Default under Section 8.1(b) of the Credit Agreement relating to the failure of the Credit Parties to comply with Section 5.12 of the Credit Agreement as a result of the Credit Parties' failure to deliver a lender's Title Insurance Policy with respect to the property located at 856 Echo Lake Road, Watertown, CT 06795; and

(l) Events of Default under Section 8.1(b) of the Credit Agreement relating to the failure of the Credit Parties to comply with Section 5.1 of the Credit Agreement (including relating to delivery of notices of Defaults and Events of Default), with respect to the Events of Default (and any related preceding Defaults) specified in clauses (a) through (k) of this paragraph.

**FORBEARANCE AGREEMENT**

The Agent and the Required Lenders party hereto (collectively, the “**Lender Group**”) are willing to, for the period of time set forth herein and subject to the terms and conditions hereof, forbear from accelerating the Obligations and from otherwise exercising any rights, remedies, powers, privileges and defenses under the Credit Agreement and the other Loan Documents solely with respect to the Specified Defaults. In consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Credit Parties, the Agent and the Lender Group hereby agree as follows:

Section 1. Definitions and Rules of Interpretation. Except as otherwise defined in this Agreement, terms defined in the Credit Agreement are used herein as defined therein. For purposes of this Agreement, the following terms shall have the following meanings:

1.01. Defined Terms.

“**Claim**” has the meaning specified in Section 7 of this Agreement.

“**Effective Date**” means the date on which the conditions specified in Section 5 are satisfied (or waived by the Lender Group).

“**Excepted Representations**” means the representations contained in Annex I attached hereto.

“**Forbearance Period**” has the meaning specified in Section 2.02 of this Agreement.

“**Forbearance Termination Date**” means the earliest to occur of (a) October 19, 2022 at 11:59 p.m. (New York time) (or such later date as may be agreed via email among the Borrower, the Agent and the Required Lenders (or their respective counsels)), (b) the occurrence of any Event of Default other than the Specified Defaults and (c) the date on which any breach by the Borrower of any of the covenants provided in Section 3 of this Agreement shall occur (it being agreed that any such breach shall constitute an immediate Event of Default under the Credit Agreement without the requirement of any notice, demand, passage of time, presentment, protest or forbearance of any kind by any Credit Party (all of which each Credit Party waives)).

“**Lender Group**” has the meaning specified in the recitals of this Agreement.

“**Lender Parties**” has the meaning specified in Section 7 of this Agreement.

“**Releasing Party**” has the meaning specified in Section 7 of this Agreement.

“**Specified Defaults**” has the meaning specified in the recitals of this Agreement.

1.02. Rules of Interpretation. Unless otherwise expressly indicated, a reference to any document or agreement shall include such document or agreement as amended, modified, restated or supplemented from time to time in accordance with its terms and the terms of this Agreement. Any of the terms defined herein may, unless the context otherwise requires, be used in the singular or the plural, depending on the reference. References herein to any Section or Exhibit shall be to a Section or an Exhibit, as the case may be, hereof unless otherwise specifically provided. The use herein of the word “include” or “including”, when following any general statement, term or matter, shall not be construed to limit such statement, term or matter to the specific items or matters set forth immediately following such word or to similar items or matters, whether or not non-limiting language (such as “without limitation” or “but not limited to” or words of similar import) is used with reference thereto, but rather shall be deemed to refer to all other items or matters that fall within the broadest possible scope of such general statement, term or matter.

**FORBEARANCE AGREEMENT**

Section 2. Acknowledgments and Agreements; Limited Forbearance in Respect of Specified Defaults.

2.01. Acknowledgment of Default. To induce the Agent and the Lenders to execute this Agreement, each Credit Party hereby acknowledges, stipulates, represents, warrants and agrees as follows:

(a) Each Specified Default constitutes an Event of Default that either (i) has occurred, remains uncured, has not been waived and is continuing as of the date of this Agreement or (ii) is expected to occur and is not expected to be cured. Except for the Specified Defaults, no other Defaults or Events of Default have occurred and are continuing as of the date hereof, or to the best of its knowledge are expected to occur during the Forbearance Period. Except as expressly set forth in this Agreement, the agreements of the Agent and the Lender Group hereunder to forbear from accelerating the Obligations and from otherwise exercising any rights, remedies, powers, privileges and defenses under the Loan Documents in respect of the Specified Defaults during the Forbearance Period do not in any manner whatsoever limit any right of any of the Agent and the Lenders to insist upon strict compliance with this Agreement or any Loan Document during the Forbearance Period.

(b) Nothing has occurred that constitutes or otherwise can be construed or interpreted as a waiver of, or, except as expressly set forth in this Agreement, otherwise to limit in any respect, any rights, remedies, powers, privileges and defenses any of the Lenders or the Agent have or may have arising as the result of any Event of Default (including any Specified Default) that has occurred or that may occur under the Credit Agreement, the other Loan Documents or applicable law. The Agent's and the Lender Group's actions in entering into this Agreement are without prejudice to the rights of any of the Agent and the Lenders to pursue any and all remedies under the Loan Documents pursuant to applicable law or in equity available to it in its sole discretion upon the termination (whether upon expiration thereof, upon acceleration or otherwise) of the Forbearance Period.

(c) The aggregate outstanding principal amount of the Loans as of September 30, 2022 was equal to \$112,689,693.32 and accrued and unpaid interest thereon (including default interest) was equal to \$4,403,667.42. The foregoing amounts do not include fees, expenses and other non-duplicative amounts that are chargeable or otherwise reimbursable under the Loan Documents.

(d) All of the assets pledged, assigned, conveyed, mortgaged, hypothecated or transferred to the Agent pursuant to the Security Agreement, Control Agreements and other collateral documents are (and shall continue to be) subject to valid and enforceable liens and security interests of the Agent, as collateral security for all of the Obligations, subject to no Liens other than Liens permitted by Section 6.2 of the Credit Agreement. Each Credit Party hereby reaffirms and ratifies its prior conveyance to the Agent of a continuing security interest in and lien on the Collateral.

(e) The obligations of the Credit Parties under this Agreement of any nature whatsoever, whether now existing or hereafter arising, are hereby deemed to be "Obligations" for all purposes of the Loan Documents and the term "Obligations" when used in any Loan Document shall include all such obligations hereunder.

(f) As of April 1, 2022, Default Interest is due and owing on the outstanding principal amount of all Loans and the Loans shall continue to accrue interest at the Default Rate provided in Section 2.4 of the Credit Agreement.

**FORBEARANCE AGREEMENT**

(g) As of the date hereof, the Lenders do not have any obligation to make any further Loans under the Credit Agreement while any Specified Default or any other Default or Event of Default is continuing.

(h) As of the date hereof, each member of the Lender Group has acted reasonably, in good faith, and in compliance with applicable law in connection with the negotiation and enforcement of the Credit Agreement, the other Loan Documents, and this Agreement.

2.02. Limited Forbearance. Subject (i) to the satisfaction of the conditions precedent set forth in Section 5 below and (ii) to the continuing effectiveness and enforceability of the Loan Documents in accordance with their terms, the Agent and the Lender Group agree to forbear from accelerating the Obligations and from exercising any of their other respective rights, remedies, powers, privileges and defenses under the Loan Documents solely in respect of the Specified Defaults for the period (the “**Forbearance Period**”) commencing on the Effective Date and ending automatically and without further action or notice on the Forbearance Termination Date; provided that (i) each Credit Party shall comply with all limitations, restrictions, covenants and prohibitions that would otherwise be effective or applicable under the Loan Documents, and (ii) that nothing herein shall be construed as a waiver by the Agent or any Lender of any Specified Default.

2.03. Termination of Forbearance Period. Upon the occurrence of the Forbearance Termination Date, the agreement of the Agent and the Lender Group to comply with any of their obligations hereunder, including the agreement to forbear, shall automatically and without any further action or notice terminate and be of no force and effect; it being expressly agreed that the effect of the termination of the Forbearance Period will be to permit the Agent and the Lenders to exercise, or cause the exercise of, any rights, remedies, powers, privileges and defenses available to any of them under the Credit Agreement, the other Loan Documents or applicable law, immediately, without any further notice, demand, passage of time, presentment, protest or forbearance of any kind (all of which each Credit Party waives).

Section 3. Covenants. At all times and as reasonably requested by the Agent, the Borrower shall provide the Agent and the Lenders with all information related to business performance of the Credit Parties as Agent may reasonably request. The provisions of this Section 3.01 shall be in addition to any other information sharing requirements the Borrower may have under the Loan Documents and this Agreement.

Section 4. Representations and Warranties. Each of the Credit Parties represents and warrants to the Agent and the Lenders that the representations and warranties set forth in Section 4 of the Credit Agreement (other than the Excepted Representations), and in each of the other Loan Documents, are true and correct in all material respects on the Effective Date as if made on and as of the Effective Date (or, if any such representation or warranty is expressly stated to have been made as of a specific date, such representation or warranty shall be true and correct as of such specific date) and as if each reference to Section 4 of the Credit Agreement to “this Agreement” included reference to this Agreement, except, in each case, to the extent untrue as a result of the Specified Defaults.

#### FORBEARANCE AGREEMENT

Section 5. Conditions Precedent. The effectiveness of this Agreement and the obligations of the Lender Group hereunder are subject to the satisfaction, or waiver by the Lender Group, of the following conditions:

5.01. Counterparts. Receipt by Agent of counterparts of this Agreement executed by the Borrower, each Guarantor and the Lenders constituting the “Lenders” under the Credit Agreement.

5.02. Collateral Documents. The Agent and its counsel shall be satisfied that all Control Agreements and other collateral documents required under the Loan Documents have been delivered and are in full force and effect, and all required perfection and priority steps with respect thereto shall have been taken (it being understood and agreed that the Agent and Lender Group shall be deemed to have been so satisfied if they execute and deliver to the Borrower counterparts of this Agreement).

5.03. No Default. No Default or Event of Default other than the Specified Defaults shall have occurred and be continuing.

5.04. Representations and Warranties. As of the Effective Date, the representations and warranties contained in this Agreement, the Credit Agreement (other than the Excepted Representations) and in each other Loan Document shall be true and correct in all material respects on and as of the Effective Date as if made on and as of the Effective Date, except as set forth on Annex 1 or that otherwise would be untrue as a result of the Specified Defaults, and to the extent such representations and warranties specifically relate to an earlier date, in which case such representations and warranties shall have been true and correct in all material respects on and as of such earlier date.

5.05. [Reserved].

5.06. Secured Promissory Notes. The Borrower shall have issued the Secured Promissory Notes dated as of the date hereof to the Agent for the benefit of the Lenders pursuant to the terms of the Closing Date Warrant and the Delayed Draw Warrant, as amended, restated, amended and restated, supplemented and otherwise modified from time to time prior to the date hereof.

5.07. Other. All documents, certificates and instruments relating to this Agreement shall be in form and substance acceptable to the Agent (it being understood and agreed that such documents, certificates and instruments shall be considered acceptable if the Agent executes and delivers to the Borrower a counterpart of this Agreement).

Section 6. No Waiver; Reservation of Rights. The Agent and each of the Lenders has not waived, and is not waiving, by the execution of this Agreement or the acceptance of any payments hereunder or under the Credit Agreement any Default or Event of Default (including any Specified Default) whether now existing or hereafter arising under the Credit Agreement or any of the other Loan Documents, or its respective rights, remedies, powers, privileges and defenses arising as a result thereof or otherwise, and no failure on the part of the Agent or the Lenders to exercise and no delay in exercising, including without limitation the right to take any enforcement actions, and no course of dealing with respect to, any right, remedy, power, privilege or defense hereunder, under the Credit Agreement or any other Loan Document, at law or in equity or otherwise, arising as the result of any Default or Event of Default (including any Specified Default) whether now existing or hereafter arising under the Credit Agreement or any of the other Loan Documents or the occurrence thereof or any other action by Credit Parties and no acceptance of partial performance or partial payment by the Agent or the Lenders, shall operate as a waiver thereof, nor shall any single or partial exercise of any right, remedy, power, privilege or defense hereunder, under the Credit Agreement or under any other Loan Document, at law, in equity or otherwise, preclude any other or further exercise thereof or the exercise of any other right, remedy, power, privilege or defense nor shall any failure to specify any Default or Event of Default in this Agreement constitute any waiver of such Default or Event of Default. The rights, remedies, powers, privileges and defenses provided for herein, in the Credit Agreement and the other Loan Documents are cumulative and, except as expressly provided hereunder, may be exercised separately, successively or concurrently at the sole discretion of the Agent and the Lenders, and are not exclusive of any rights, remedies, powers, privileges and defenses provided at law, in equity or otherwise, all of which are hereby expressly reserved. Notwithstanding the existence or content of any communication by or between the Credit Parties and the Agent or any Lender, or any of their representatives, including, but not limited to, any Agent, regarding any Default or Event of Default, no waiver, forbearance, or other similar action by the Agent or any Lender with regard to such Default or Event of Default, whether now existing or hereafter arising under the Credit Agreement or any of the other Loan Documents, shall be effective unless the same has been reduced to writing and executed by an authorized representatives of the percentage of Lenders required under the applicable provisions of the Credit Agreement and the applicable Credit Parties (it being understood and agreed that this Agreement so satisfies such requirements).

**FORBEARANCE AGREEMENT**

Section 7. Release. Each Credit Party, on behalf of itself, its Subsidiaries and Affiliates, and each of their successors, representatives, assignees and, whether or not claimed by right of, through or under any Credit Party, past, present and future employees, agents, representatives, officers, directors, members, managers, principals, affiliates, shareholders, trustees, consultants, experts, advisors, attorneys and other professionals (each, a “**Releasing Party**” and collectively, the “**Releasing Parties**”), does hereby fully, finally, and forever remise, release and discharge, and shall be deemed to have forever remised, released and discharged, the Agent and the Lenders, and the Agent’s and each Lender’s respective successors, representatives, assignees and past, present and future employees, agents, representatives, officers, directors, members, managers, principals, affiliates, shareholders, trustees, consultants, experts, advisors, attorneys and other professionals and all other persons and entities to whom any of the foregoing would be liable if such persons or entities were found to be liable to any Releasing Party, or any of them (collectively hereinafter the “**Lender Parties**”), from any and all manner of action and actions, cause and causes of action, claims, defenses, rights of setoff, charges, demands, counterclaims, suits, debts, obligations, liabilities, dues, sums of money, accounts, reckonings, bonds, bills, specialties, covenants, contracts, controversies, damages, judgments, expenses, executions, liens, claims of liens, claims of costs, penalties, attorneys’ fees, or any other compensation, recovery or relief on account of any liability, obligation, demand or cause of action of whatever nature, whether in law, equity or otherwise (including without limitation those arising under the Bankruptcy Code and interest or other carrying costs, penalties, legal, accounting and other professional fees and expenses, and incidental, consequential and punitive damages payable to third parties), whether known or unknown, fixed or contingent, joint and/or several, secured or unsecured, due or not due, primary or secondary, liquidated or unliquidated, contractual or tortious, direct, indirect, or derivative, asserted or unasserted, foreseen or unforeseen, suspected or unsuspected, now existing, heretofore existing or which may heretofore accrue against any of the Lender Parties, whether held in a personal or representative capacity, and which are based on any act, circumstance, fact, event or omission or other matter, cause or thing occurring at or from any time prior to and including the date hereof in any way, directly or indirectly arising out of, connected with, in respect of or relating to the Credit Agreement or any other Loan Document and the transactions contemplated thereby, and all other agreements, certificates, instruments and other documents and statements (whether written or oral) related to any of the foregoing (each, a “**Claim**” and collectively, the “**Claims**”).

Section 8. Confirmation of Guaranty and Collateral Documents. Each of the Credit Parties (a) affirms and confirms its guarantees, pledges, grants and other undertakings under the Credit Agreement and the other Loan Documents to which it is a party and (b) agrees that (i) each Loan Document to which it is a party shall continue to be in full force and effect and (ii) all guarantees, pledges, grants and other undertakings thereunder shall continue to be in full force and effect and shall accrue to the benefit of the Lenders. By its execution on the respective signature lines provided below, each of the Credit Parties hereby confirms and ratifies all of its obligations and the Liens granted by it under the Security Agreement and other collateral documents to which it is a party and confirms that all references in the Security Agreement and other collateral documents to the “Credit Agreement” (or words of similar import) refer to the Credit Agreement as amended hereby without impairing any such obligations or Liens in any respect.

Section 9. Amendments. No amendment, modification, termination or waiver of any provision of this Agreement, or consent to any departure by any Credit Party therefrom, shall in any event be effective without the written concurrence of the Borrower and the Required Lenders (or Agent acting at the direction of the Required Lenders).

Section 10. Miscellaneous. Except as herein expressly provided, the Credit Agreement and each of the other Loan Documents shall remain unchanged and in full force and effect. This Agreement shall constitute a “Loan Document” under the Credit Agreement. This Agreement may be executed in any number of counterparts, all of which taken together shall constitute one and the same amendatory instrument and any of the parties hereto may execute this Agreement by signing any such counterpart. Delivery of an executed counterpart of a signature page to this Agreement by electronic transmission shall be effective as delivery of a manually executed counterpart of this Agreement. This Agreement shall be governed by, and construed in accordance with, the law of the State of New York, without application of any choice of law provisions that would require the application of the law of another jurisdiction.

#### FORBEARANCE AGREEMENT

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

THE GREENROSE HOLDING COMPANY, INC.

By: \_\_\_\_\_  
Name: Timothy Bossidy  
Title: Interim Chief Executive Officer

THERAPLANT, LLC

By: \_\_\_\_\_  
Name: Timothy Bossidy  
Title: Designated Officer

TRUE HARVEST HOLDINGS, INC.

By: \_\_\_\_\_  
Name: Timothy Bossidy  
Title: Chief Executive Officer

**FORBEARANCE AGREEMENT**

DXR FINANCE, LLC, as Administrative Agent and  
Collateral Agent

By: \_\_\_\_\_

Name:

Title:

**FORBEARANCE AGREEMENT**

**LENDERS:**

DXR-GL Holdings I, LLC, as a Lender

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title:

DXR-GL Holdings II, LLC, as a Lender

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title:

DXR-GL Holdings III, LLC, as a Lender

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title:

**FORBEARANCE AGREEMENT**

## Annex I

### Excepted Representations

#### **Section 4.6(a) Litigation**

Other than the Pending Litigations, there are no actions, suits, or proceedings pending or, to the knowledge of Borrower, threatened in writing against any Loan Party that either individually or in the aggregate could reasonably be expected to result in a Material Adverse Effect or which in any manner draws into question the validity or enforceability of any of the Transaction Documents. As used herein, "Pending Litigations" means (i) the litigation styled *Next Step Advisors LLC et al. v True Harvest Holdings, Inc. et al*, Case No CV2022-012671, currently pending in the Superior Court of Maricopa County, Arizona, and the related Case No. 2:22-cv-01680-SPLCV, pending in the U.S. District Court for the District of Arizona, and (ii) *Shareholder Representative Services LLC v. The Greenrose Holding Co Inc.*, Case No. HHD-CV-22-6157786-S, currently pending in the Superior Court of Hartford County, Connecticut.

#### **Section 4.8 Historical Financial Statements; No Material Adverse Effect**

Other than in connection with the Specified Defaults and as otherwise disclosed to Agent, since December 31, 2020, no event, circumstance, or change has occurred that has or could reasonably be expected to result in a Material Adverse Effect.

#### **Section 4.9(a) Solvency**

No representation is hereby made by the Credit Parties with respect to the representation required in Section 4.9(a).

#### **Section 4.22 Material Contracts**

Other than in connection with the Specified Defaults, no Loan party is in default in the performance, observance or fulfillment of any of the obligations, covenants or conditions contained in any of its Material Contracts, and no condition exists which, with the giving of notice or the lapse of time or both, could constitute such a default, except where the consequences, direct or indirect, of such default or defaults, if any, could not reasonably be expected to have a Material Adverse Effect.

### FORBEARANCE AGREEMENT

**THIS NOTE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR ANY STATE SECURITIES LAWS AND MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED OR TRANSFERRED ABSENT SUCH REGISTRATION OR AN EXEMPTION THEREFROM UNDER SUCH ACT AND APPLICABLE STATE LAWS.**

**SECURED PROMISSORY NOTE (THIS “NOTE”)**

\$15,300,000

October 12, 2022

FOR VALUE RECEIVED THE GREENROSE HOLDING COMPANY INC. (the “Issuer”) hereby promises to pay to the order of DXR Finance, LLC, as Agent on behalf of the lenders (the “Note Lenders”) identified on Schedule 1 (collectively, the “Payee”), the principal sum of Fifteen Million Three Hundred Thousand Dollars (\$15,300,000) together with interest, in each case in the manner described herein.

Reference is made to that certain Credit Agreement by and among the Issuer, the other Loan Parties that are party thereto, DXR Finance, LLC, as Agent, and the Lenders party thereto from time to time dated as of November 26, 2021 (as amended, including pursuant to that certain Amendment No. 1 to Credit Agreement dated as of December 31, 2021, the “Credit Agreement”). Any capitalized term used but not defined herein shall have the meaning ascribed to such term in the Credit Agreement or that certain Forbearance Agreement by and among the Issuer, the other Loan Parties that are party thereto, DXR Finance, LLC, as Agent, and the Lenders party thereto from time to time dated as of the date hereof (the “Forbearance Agreement”), as applicable. This Note shall constitute a Loan Document under, and as defined in, the Credit Agreement and all amounts owing under this Note shall constitute Obligations under, and as defined in, the Credit Agreement and Secured Obligations under, and as defined in, the Security Agreement.

1. Payments of Principal. On each Interest Payment Date (as defined in the Credit Agreement), the Issuer shall pay to the Payee \$1,912,500 of the principal amount of this loan. Subject to the acceleration provisions of Section 6, any unpaid principal, fees and accrued and unpaid interest and all other amounts shall be due and payable in full on the date that is two (2) years from the date of this Note (the “Maturity Date”).

2. Interest. The unpaid principal amount of this Note shall accrue interest daily on the basis of a 360 day year at the LIBO Rate plus sixteen per cent (16.00%) per annum, provided that upon the occurrence and during the continuance of an Event of Default, the outstanding principal amount of this Note and any accrued and unpaid interest and all other overdue amounts shall each bear interest until paid at the stated rate plus two percent (2.00%) per annum. Interest shall be due and payable in arrears on each Interest Payment Date. After the Maturity Date, interest will continue to accrue on any unpaid principal and shall be due and payable on demand. Notwithstanding any of the foregoing, the LIBO Rate shall not at any time be less than 1.00% per annum.

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3. Prepayments.

(a) Subject to Section 3(b), the Issuer may at any time and from time to time prepay any principal amount on this Note in whole or in part without premium or penalty.

(b) Payments and prepayments made to the Payee by the Issuer hereunder shall be applied first to expenses recoverable under Section 9, then to accrued and unpaid interest and then to principal.

4. Payment Terms. All payments of principal of, and interest upon, this Note shall be made by the Issuer to the Payee in Cash in immediately available funds in lawful money of the United States of America, by wire transfer to the bank account designated by the Payee in writing from time to time. All payments under this Note shall be made to the Payee without withholding, defense, set-off, counterclaim or deduction. If the due date of any payment under this Note would otherwise fall on a day that is not a business day, such due date shall be extended to the next succeeding business day, and interest shall be payable on any principal so extended for the period of such extension. Any amounts repaid or prepaid under this Note shall not be reborrowed.

5. Events of Default. The provisions of Section 8 (Events of Default) of the Credit Agreement shall be incorporated in this Note, *mutatis mutandis*, as if set out in full herein.

6. Remedies. Other than with respect to the Specified Defaults during the Forbearance Period (or as otherwise agreed in writing by Agent), upon the occurrence of any Event of Default (as defined in the Credit Agreement) under Sections 8.1(d) or (e) of the Credit Agreement, the principal amount of this Note together with any interest thereon, all fees and all other Note Obligations shall become immediately and automatically due and payable, without presentment, demand, notice, protest or other requirements of any kind (all of which are hereby expressly waived by the Issuer). Other than with respect to the Specified Defaults during the Forbearance Period (or as otherwise agreed in writing by Agent) upon the occurrence and during the continuance of any other Event of Default, the Agent, at the direction of Required Lenders may, by written notice to the Issuer, declare the principal amount of this Note together with any interest thereon to be due and payable, and the principal amount of this Note together with any such interest shall thereupon immediately become due and payable, without presentment, further notice, protest or other requirements of any kind (all of which are hereby expressly waived by the Issuer). Following any such demand, the Issuer shall immediately pay to the Payee all amounts due and payable with respect to this Note. Other than with respect to the Specified Defaults during the Forbearance Period (or as otherwise agreed in writing by Agent) upon the occurrence of any Event of Default, Agent, at the direction of Required Lenders may exercise all other rights or remedies available to such parties under this Note, under any applicable Loan Document, under any applicable law, or in equity.

7. Issuer' Representations and Warranties. General Representations. The Issuer represents and warrants to the Payee as follows: It is duly organized and validly existing under the laws of the jurisdiction of its organization and has full power and authority to execute, deliver and perform its obligations under this Note. It has duly authorized and taken all other appropriate action for the execution, delivery and performance of this Note and any other document or instrument delivered pursuant hereto or in connection herewith and the consummation of the transactions provided for in this Note. It has duly executed and delivered this Note and this Note constitutes its legal, valid and binding obligation, enforceable in accordance with its terms except as enforceability thereof may be limited by bankruptcy, insolvency, moratorium and similar laws and by equitable principles, whether considered at law or in equity. Its execution and delivery of this Note, the performance of the transactions contemplated by this Note and the fulfillment of the terms of this Note will not (i) conflict with or violate any of its organizational documents or its contractual obligations that could reasonably be expected to have a Material Adverse Effect, (ii) conflict with or violate any order, judgment or decree of governmental authority binding on it, (iii) require any approval of its equityholders or any approval or consent of any Person under any contractual obligation of the Issuer, except for such approvals or consents which will be obtained on or before the date hereof or the failure to obtain could not reasonably be expected to have a Material Adverse Effect, or (iv) conflict with or violate any Applicable Laws. It has duly obtained, effected or given all authorizations, consents, licenses, orders or approvals of or registrations or declarations with any governmental authority or any other Person required in connection with the execution and delivery of this Note and the performance of the transactions contemplated by this Note, and such authorizations, consents, licenses, orders or approvals of or registrations or declarations are in full force and effect. Other than the Pending Litigation, there are no actions, suits or proceedings by or before any arbitrator or governmental authority pending against or, to the knowledge of the Issuer, threatened against or affecting the Issuer (A) as to which there is a reasonable possibility of an adverse determination and that, if adversely determined, could reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect or (B) that involve this Note or the transactions contemplated hereby. It is not an "investment company" as defined in, or subject to regulation under, the Investment Company Act of 1940. To the knowledge of the Credit Parties, none of the reports, financial statements, certificates or other information (excluding projections or other forward looking information) furnished by or on behalf of the Issuer in connection with this Note contains any material misstatement of fact or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

9. Incorporation by Reference. The terms of the Credit Agreement with respect to Section 11.3 (Indemnification), Section 12 (Notices), Section 13 (Choice of Law and Venue; Jury Trial Waiver), Section 14 (Assignments and Participations; Successors), Section 15.1 (Amendments and Waivers) and Section 17.5 (Counterparts; Electronic Execution) are incorporated herein by reference, mutatis mutandis in each case substituting references to "Borrower" with "Issuer" and "Lender" with "Payee".

10. Terms Generally. The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words “include”, “includes” and “including” shall be deemed to be followed by the phrase “without limitation”. All references in this Note to “\$” shall mean United States dollars. Unless the context clearly requires otherwise (a) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein), (b) any reference herein to any person shall be construed to include such person’s successors and assigns solely to the extent permitted by Section 14 of the Credit Agreement, (c) the words “herein”, “hereof” and “hereunder”, and words of similar import, shall be construed to refer to this Note in its entirety and not to any particular provision hereof, (d) all references herein to Sections, subsections and clauses shall be construed to refer to Sections, subsections and clauses of this Note and (e) any reference to any law or regulation herein shall, unless otherwise specified, refer to such law or regulation as amended, supplemented or otherwise modified from time to time.

11. Confirmation. Each Loan Party (a) confirms its obligations under the Security Agreement, (b) confirms that its obligations under the Credit Agreement are entitled to the benefits of the pledges set forth in the Security Agreement and (c) confirms that its obligations under the Credit Agreement constitute “Secured Obligations” (as defined in the Security Agreement). Each party, by its execution of this Note, hereby confirms that the Secured Obligations shall remain in full force and effect, and such Secured Obligations shall continue to be entitled to the benefits of the grant set forth in the Security Agreement. Each Guarantor (x) confirms its guarantee obligations under the Guaranty, (y) confirms that its obligations under the Credit Agreement are entitled to the benefits of the Guaranty, and (z) confirms that its obligations under the Credit Agreement constitute “Guaranteed Obligations” (as defined in the Guaranty). Each party, by its execution of this Agreement, hereby confirms that the Guaranteed Obligations shall remain in full force and effect.

[Signature Page Follows]

IN WITNESS WHEREOF, the Issuer has caused this Note to be executed and delivered by its duly authorized officer, as of the date and year and at a place first above written.

Issuer:

THE GREENROSE HOLDING COMPANY, INC.

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Acknowledged and Agreed:

THERAPLANT, LLC

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

TRUE HARVEST HOLDINGS, INC.

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

[Signature Page to Secured Promissory Note]

Schedule 1

<b>Note Lender</b>	<b>Amount</b>
DXR-GL Holdings I, LLC	\$ 10,672,683.01
DXR-GL Holdings II, LLC	\$ 1,627,042.36
DXR-GL Holdings III, LLC	\$ 3,000,274.63

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# Milbank

ABHILASH M. RAVAL

*Partner*

55 Hudson Yards | New York, NY 10001-2163

T: 212.530.5123

araval@milbank.com | milbank.com

CONFIDENTIAL

October 10, 2022

**VIA U.S. MAIL**

The Greenrose Holding Company, Inc.  
111 Broadway  
Amityville, NY 11701  
Attn: Timothy Bossidy

Re: Credit Agreement - Notice of Additional Default

Dear Mr. Bossidy:

We write on behalf of DXR Finance, LLC ("DXR Finance" or "Agent") in reference to the Credit Agreement, dated November 26, 2021 ("Credit Agreement"), by and among Greenrose Holding Company Inc., formerly known as Greenrose Acquisition Corp., as Borrower (the "Borrower"), the lenders identified on the signature pages of the Credit Agreement ("Lenders"), and DXR Finance, as agent for the Lenders. Except as otherwise specified herein, capitalized terms used in this letter have the meanings given to them in the Loan Documents, as that term is defined in the Credit Agreement.

As set forth in our prior letter of October 2, 2022 (the "October 2 Letter"), a number of Specified Defaults (as defined in the October 2 Letter) under the Loan Documents have occurred and are continuing. Those Specified Defaults remain Events of Default under the Loan Documents, and nothing in this letter should be construed to mean otherwise.

We write to provide notice that the Impending Default described in the October 2 Letter is now an Event of Default under the Loan Documents. The Borrower failed to make the interest payment that was due September 30, 2022, and failed to make the interest payment within five business days of such due date. Specifically, pursuant to Sections 2.4 and 8.1(a) of the Credit Agreement, Borrower's failure to make the interest payment by the specified date is an Event of Default (the "Additional Specified Default").

As provided in our October 2 Letter, please be advised that DXR Finance is considering its rights and remedies pursuant to the Loan Documents, including but not limited to, those identified in section 9.1 of the Credit Agreement. Please be further advised that the Agent and Lenders have not waived, and are not waiving, any default or Event of Default, including the Specified Defaults and the Additional Specified Default, whether now existing or hereafter arising under any of the Loan Documents, or its respective rights, remedies, powers, privileges and defenses arising

MILBANK LLP

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as a result thereof or otherwise, and no failure on the part of the Agent or Lenders to exercise and no delay in exercising any rights or remedies, including without limitation the right to take any enforcement actions, and no course of dealing with respect to any right, remedy, power, privilege or defense under any of the Loan Documents, at law or in equity or otherwise, arising as the result of any default or Event of Default (including the Specified Defaults and the Additional Specified Default), whether now existing or hereafter arising under any of the Loan Documents, or the occurrence thereof or any other action by the Borrower and no acceptance of partial performance or partial payment by the Lenders or Agent, shall operate as a waiver thereof, nor shall any single or partial exercise of any right, remedy, power, privilege or defense under any of the Loan Documents, at law, in equity or otherwise, preclude any other or further exercise thereof or the exercise of any other right, remedy, power, privilege or defense nor shall any failure to specify any default or Event of Default in this letter constitute any waiver of such default or Event of Default. The rights, remedies, powers, privileges and defenses provided for by any of the Loan Documents are cumulative, may be exercised separately, successively or concurrently at the sole discretion of the Lender, and are not exclusive of any rights, remedies, powers, privileges and defenses provided at law, in equity or otherwise, all of which are hereby expressly reserved.

As provided in our October 2 Letter, please be further advised that (i) no previous or future correspondence or discussions among the Borrower and its officers, directors, shareholders, employees, agents, affiliates subsidiaries and assigns, the Lenders or Agent or any other person regarding any default or Event of Default, whether now existing or hereafter arising under any of the Loan Documents, or the obligations owed by Borrower shall constitute a waiver, estoppel, agreement to forbear or limitation of the Lenders' or Agent's rights, remedies, powers, privileges and defenses under the any of the Loan Documents, applicable law or otherwise unless and until said action is evidenced by an express writing executed by authorized representatives of the Lenders or Agent and (ii) neither the delivery of this notice, nor the prior or future collection of any interest, principal or other amount by the Lenders or Agent with respect to any of the Loan Documents shall be construed to limit or waive the Lenders' or Agent's right to receive any and all other sums which are or may become due or payable under any of the Loan Documents or otherwise, including without limitation costs of collection, costs of enforcement and late payment charges.

Sincerely,

*/s/Abhilash M Raval*

---

Abhilash M. Raval

cc (via email):

Feuerstein Kulick LLP  
810 Seventh Avenue, 34th Floor  
New York, NY 10019  
Attention: Samantha Gleit  
Email: Samantha@dfmklaw.com

MILBANK LLP  
NEW YORK | LOS ANGELES | WASHINGTON, D.C. | SAO PAULO | FRANKFURT  
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Greenrose Holding Company, Inc.  
Attn: Timothy Bossidy  
Page 3

CONFIDENTIAL  
October 10, 2022

Tarter Krinsky & Drogin LLP  
1350 Broadway,  
New York, NY 10018  
Attention: Guy Molinari  
Email: gmolinari@tarterkrinsky.com

MILBANK LLP  
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