
**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): **June 13, 2023**

Innovative Food Holdings, Inc.

(Exact name of registrant as specified in its charter)

Florida

(State or other jurisdiction
of incorporation)

0-9376

(Commission
File Number)

20-1167761

(IRS Employer
Identification No.)

28411 Race Track Road, Bonita Springs, Florida

(Address of principal executive offices)

34135

(Zip Code)

Registrant's telephone number, including area code: **(239) 596-0204**

N/A

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

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

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

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.

Term Loan Refinancing

As previously disclosed in a Current Report on Form 8-K filed with the U.S. Securities and Exchange Commission (“**SEC**”) on June 14, 2022 by Innovative Food Holdings, Inc. (the “**Company**”), the Company and its subsidiary Innovative Food Properties, LLC (“**IFP**,” and together with the Company, the “**Borrowers**”) entered into two term loan agreements with MapleMark Bank (“**MapleMark**”), each dated as of June 6, 2022, which provided for (i) a term loan secured by the Company’s real estate in Pennsylvania in the aggregate principal amount of \$7,775,680, of which \$5,234,733 was outstanding as of March 31, 2023 (the “**2022 PA Loan**”), and (ii) a term loan secured by the Company’s real estate in Illinois and Florida in the aggregate principal amount of \$2,680,000, of which \$356,800 was outstanding as of March 31, 2023 (the “**2022 FL/IL Loan**” and together with the 2022 PA Loan, the “**2022 Term Loans**”).

On June 9, 2023, the Company received approval from the U.S. Department of Agriculture’s Business & Industry Program of a guarantee of a portion the 2022 Term Loans (the “**USDA Guarantee**”).

The Refinanced PA Loan

The USDA Guarantee allowed for the refinancing of the 2022 PA Loan and a portion of the 2022 FL/IL Loan (the “**Refinancing**”) pursuant to a new loan agreement, dated as of June 13, 2023, by and among the Borrowers and MapleMark (the “**New PA Loan Agreement**”), which provides for a term loan in the aggregate principal amount of \$9,057,840 (the “**New PA Loan**”). In connection with the New PA Loan, the Borrowers also issued a promissory note, effective May 27, 2023, to MapleMark in the aggregate principal amount of \$9,057,840 (the “**New PA Note**”).

The New PA Loan extends the maturity date of the 2022 PA Loan from May 27, 2023 to June 13, 2048 and will bear interest at the rate equal to the lesser of (i) the Maximum Lawful Rate (as defined in the New PA Note) and (ii) the greater of (x) the Base Rate (as defined in the New PA Note) plus 1.25% per annum and (y) 4.50% per annum. The New PA Note is payable in installments of principal and accrued interest in the amount of \$80,025.01, due and payable on the first day of each calendar month during the term of the New PA Loan, commencing July 1, 2023.

The New PA Loan Agreement contains negative covenants that, subject to certain exceptions, limits the ability of the Company and its subsidiaries to, among other things, incur additional indebtedness, make restricted payments, pledge their assets as security, make investments, loans, advances, guarantees and acquisitions, undergo fundamental changes and enter transactions with affiliates.

The New PA Loan Agreement also provides that the Company and its subsidiaries, on a consolidated basis, must have a Fixed Charge Coverage Ratio (as defined the New PA Loan Agreement), of not less than 1.25 to 1.00, as further described in the New PA Loan Agreement.

The New PA Loan Agreement contains events of default that are customary for a facility of this nature, including (subject in certain cases to grace periods and thresholds) nonpayment of principal, nonpayment of interest, fees or other amounts, material inaccuracy of representations and warranties, violation of covenants, cross-default to certain other existing indebtedness, bankruptcy or insolvency events, and certain judgment defaults as specified in the New PA Loan Agreement. If an event of default occurs, the maturity of the amounts owed under the New PA Loan may become accelerated.

The USDA Guarantee backs 80% of the New PA Loan. The obligations under the New PA Loan are also guaranteed by the Company and its subsidiaries and are secured by a mortgage on the Company’s real estate located in Pennsylvania and substantially all of the assets of the Company and its subsidiaries, in each case, subject to certain exceptions and permitted liens.

The foregoing descriptions of the New PA Loan Agreement, New PA Note and the material ancillary documents do not purport to be complete and are qualified in their entirety by reference to the complete text of such documents, copies of which are attached hereto as Exhibits 10.1, 10.2 and 10.3 and incorporated by reference herein.

2022 FL/IL Loan Modification

In connection with the Refinancing, on June 13, 2023, the Company entered into a modification, effective as of May 27, 2023, of the loan agreement, dated as of June 6, 2022, relating to the 2022 FL/IL Loan (the “**FL/IL Loan Modification**”). The FL/IL Loan Modification extended the maturity date of the 2022 FL/IL Loan from May 27, 2023 to May 27, 2033.

The Borrowers also issued an amended and restated promissory note, effective as of May 27, 2023, to MapleMark in the aggregate principal amount of \$356,800 for the 2022 FL/IL Loan as modified by the FL/IL Loan Modification (the “**A&R FL/IL Note**”). The A&R FL/IL Note amends and restates the amended and restated promissory note, dated as of February 26, 2023, in the aggregate principal amount of \$2,680,000 .

Under the A&R FL/IL Note, the 2022 FL/IL Loan will bear interest at the rate equal to the lesser of (a) the Maximum Lawful Rate (as defined in the A&R FL/IL Note) or (b) 6.64% per annum. Installments of principal and accrued interest in the amount of \$2,311.34 are due and payable on the first day of each calendar month during the term of the A&R FL/IL Note, commencing on June 1, 2023. Except as modified by FL/IL Loan Modification and the A&R FL/IL Note, the terms of the 2022 FL/IL remain in effect.

The foregoing descriptions of the FL/IL Loan Modification and the A&R FL/IL Note do not purport to be complete and are qualified in their entirety by reference to the complete text of such documents, copies of which are attached hereto as Exhibits 10.4 and 10.5 and incorporated by reference herein.

Revolving Credit Facility Modification

As previously disclosed in a Current Report on Form 8-K filed by the Company with the SEC on June 14, 2022, the Company entered into a loan agreement, dated as of June 6, 2022, with MapleMark (the “**2022 Revolver Loan Agreement**”), which provided for a senior secured revolving credit facility (the “**Revolving Credit Facility**”) in the initial aggregate principal amount of approximately \$2,014,333.

On June 13, 2023, the Company and MapleMark entered into a modification of the 2022 Revolver Loan Agreement, effective as of May 27, 2023 (the “**Revolver Loan Modification**”), which extended the termination date of the Revolving Credit Facility one year from May 27, 2023 to May 27, 2024 (the “**Revolver Extension**”). Under the terms of the 2022 Revolver Loan Agreement, the Revolver Extension triggered an increase in the aggregate principal amount available under the Revolving Credit Facility to \$3,000,000. Except as modified by the Revolver Loan Modification, the existing terms of the 2022 Revolver Loan Agreement remain in effect.

The foregoing description of the Revolver Loan Modification does not purport to be complete and is qualified in its entirety by reference to the complete text of the Revolver Loan Modification, a copy of which is attached hereto as Exhibit 10.6 and incorporated by reference herein.

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

The information set forth under Item 1.01 of this Current Report on Form 8-K with respect to the Loan Documents is incorporated by reference into this Item 2.03.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit	Description
10.1	Loan Agreement, dated as of June 13, 2023, by and among the Borrowers and MapleMark (PA).
10.2	Promissory Note, effective as of June 13, 2023, issued by the Borrowers to MapleMark (PA).
10.3	Pledge and Security Agreement, dated as of June 13, 2023, by and among the Borrowers and MapleMark (PA).
10.4	Loan Modification, effective as of May 27, 2023, by and among the Borrowers and MapleMark (FL, IL).
10.5	Amended and Restated Promissory Note, effective as of May 27, 2023, issued by the Borrowers to MapleMark (FL, IL).
10.6	Loan Modification, effective as of May 27, 2023, by and between the Company and MapleMark.
104	Cover Page Interactive Data File (formatted as Inline XBRL).

SIGNATURES

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.

INNOVATIVE FOOD HOLDINGS, INC.

Dated: June 20, 2023

By: /s/ Richard Tang
Richard Tang
Chief Financial Officer

LOAN AGREEMENT

THIS LOAN AGREEMENT is made and entered into as of June 13, 2023 (the "Effective Date") between MAPLEMARK BANK (together with its successors and assigns, the "Bank"), INNOVATIVE FOOD HOLDINGS, INC., a Florida corporation ("IVFH"), and INNOVATIVE FOOD PROPERTIES, LLC, a Delaware limited liability company ("IVFP" and, collectively with IVFH, the "Borrower").

RECITALS:

A. Borrower desires to refinance indebtedness secured by real property owned by IVFP at 220 Oak Hill Road, Mountain Top, Pennsylvania 18518.

B. Borrower desires to obtain a term loan from the Bank to effect such refinance, and Bank is willing to provide such term loan to Borrower subject to the terms and conditions set forth herein

AGREEMENT:

NOW, THEREFORE, in consideration of the premises, the covenants, representations, warranties and agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto covenant and agree as follows:

**ARTICLE ONE
DEFINITIONS AND USE OF TERMS**

1.1. Definitions. As used in this Agreement, all exhibits and schedules hereto and in any note, certificate, report or other Loan Documents made or delivered pursuant to this Agreement, the following terms will have the meanings given such terms in Article One.

"Advance" means a disbursement by Bank, whether by journal entry, deposit to a Borrower's account, check to third party or otherwise of any of the proceeds of the Loan.

"Affiliate" means, as to any Person, any other Person (a) that directly or indirectly, through one or more intermediaries, controls or is controlled by, or is under common control with, such Person, (b) that directly or indirectly beneficially owns or holds ten percent (10%) or more any class of voting stock of such Person, or (c) that controls ten percent (10%) or more of the voting stock of which is directly or indirectly beneficially owned or held by the Person in question. The term "control" means the possession, directly or indirectly, of the power to direct or cause direction of the management and policies of a Person, whether through the ownership of voting securities, by contract, or otherwise; provided, however, in no event shall Bank be deemed an Affiliate of Borrower or any Borrower.

"Agency" means the United States Department of Agriculture.

"Agreement" means this Loan Agreement, as the same may from time to time be amended, supplemented, replaced or restated.

"Bank" means MapleMark Bank and its successors and assigns, in whole or in part.

"Borrower" has the meaning set forth in the introductory paragraph hereof and its successors and assigns.

“Business Day” means a day other than a Saturday, Sunday or a day on which Bank is authorized to be closed. Unless otherwise provided, the term “days” means calendar days.

“Capital Improvements” means the repairs, alterations, improvements, equipment and tools which would properly be capitalized under generally accepted accounting principles.

“Capital Improvement Reserve” means the reserve amount of \$1,340,000 to be used for the Capital Improvements on Borrower’s Land.

“Capitalized Lease Obligation” means, for any Person, the amount of Debt under a lease of Property by such Person that would be shown as a liability on a balance sheet of such Person prepared for financial reporting purposes in accordance with GAAP.

“Change” means (a) any change after the date of any Note in the risk-based capital guidelines applicable to Bank, or (b) any adoption of or change in any other law, governmental or quasi-governmental rule, regulation, policy, guideline, interpretation, or directive (whether or not having the force of law) after the date of any Note that affects capital adequacy or the amount of capital required or expected to be maintained by Bank or any entity controlling Bank.

“Closing Date” means the Effective Date.

“Code” means the Uniform Commercial Code of the State of Texas or other applicable jurisdiction as it may be amended and in effect from time to time.

“Compliance Certificate” means a certificate in form and substance satisfactory to Bank prepared by and executed by a responsible officer of the Borrower reasonably acceptable to Bank.

“Consolidated Interest Charges” means the sum of (a) all interest, premium payments, debt discount, fees, charges and related expenses in connection with borrowed money (including capitalized interest) or in connection with the deferred purchase price of assets, in each case to the extent treated as interest in accordance with GAAP, and (b) the portion of rent expense under Capitalized Lease Obligations that is treated as interest in accordance with GAAP, in each case, of or by Borrower and its Subsidiaries on a consolidated basis for the most recently completed measurement period.

“Consolidated Net Income” means the net income (or loss) of Borrower and its Subsidiaries in accordance with GAAP on a consolidated basis for the most recently completed measurement period; provided that Consolidated Net Income shall exclude (a) extraordinary gains and extraordinary losses for such measurement period, (b) the net income of any Subsidiary during such measurement period to the extent that the declaration or payment of dividends or similar distributions by such Subsidiary of such income is not permitted by operation of the terms of its Constituent Documents or any agreement, instrument or Law applicable to such Subsidiary during such measurement period, and (c) any income (or loss) for such measurement period of any Person if such Person is not a Subsidiary.

“Controlled Account” means the Bank checking account to hold Capital Improvement reserve funds.

“Collateral” means the property and assets described in Exhibit D.

“Current Maturities of Long-Term Debt” means, on any date of determination, that portion of the long term Debt of Borrower and its Subsidiaries, and that portion of the Capital Lease Obligations of Borrower and its Subsidiaries.

“Debt” means, with respect to any Person and as of any applicable date of determination, all indebtedness, obligations and liabilities of such Person, whether matured or unmatured, due or to become due, liquidated or unliquidated, direct or indirect, absolute or contingent, joint or several, including all items that should be classified as liabilities in accordance with Recognized Accounting Principles.

“Debtor Relief Laws” means Title 11 of the United States Code, as now or hereafter in effect, or any other applicable law, domestic or foreign, as now or hereafter in effect, relating to bankruptcy, insolvency, liquidation, receivership, reorganization, arrangement or composition, extension or adjustment of debts, or similar laws affecting the rights of creditors generally from time to time in effect.

“Default” means any condition or event which, with the giving of notice or the passage of time, or both, would constitute an Event of Default.

“Default Interest Rate” means a rate per annum equal to the Note Rate plus five percent (5%) but in no event in excess of the Maximum Lawful Rate.

“Disposition” means any sale, Lease (except as permitted in the Loan Documents), exchange, assignment, conveyance, transfer, trade, or other disposition of all or any portion of the Property (or any interest therein) other than sales of personal property assets of the Borrower in the ordinary course of business that do not to exceed, individually or in the aggregate during any fiscal year, \$300,000.

“Effective Date” means the date set forth in the introductory paragraph hereof.

“Event of Default” has the meaning set forth in Article Six hereof and in the other Loan Documents.

“Financial Statements” means all balance sheets, income statements, statements of profit and loss, statements of cash flow, statements of sources and uses of funds, and other financial data, statements and reports (whether of any Borrower, Guarantor, or any other Person or otherwise) which are required to, have been, or may from time to time hereafter, be furnished to Bank, for the purposes of, or in connection with, this Agreement.

“Financing Statements” means the financing statement or financing statements (on Standard Form UCC 1 or otherwise) utilized in connection with the Loan Documents.

“Fixed Charge Coverage Ratio” means, at any date of determination, the ratio of (a) Consolidated Net Income, *plus* (to the extent any of the following reduce Consolidated Net Income in the calculation thereof) the sum of (i) Consolidated Interest Charges, (ii) depreciation, (iii) amortization, and (iv) non-cash expenses deemed reasonably by Bank, to (b) the sum of (i) Current Maturities of Long-Term Debt and (ii) Consolidated Interest Charges paid in cash, in each case for the twelve (12) months preceding the date of determination paid by Borrower and its Subsidiaries. For purposes of calculating the Fixed Charge Coverage Ratio through June 30, 2024, the following expense items will not be included in the definition of Consolidated Net Income: (a) costs and expenses associated with CEO transition (such as severance, hiring, and legal costs), (b) costs and expenses for refinancing (such as brokerage fees and legal fees), and (c) other extraordinary expenses reasonably acceptable to the Bank incurred by the Borrower during the fiscal year.

“GAAP” means generally accepted accounting principles, applied on a consistent basis, set forth in Opinions of the Accounting Principles Board of the American Institute of Certified Public Accountants and/or in statements of the Financial Accounting Standards Board which are applicable in the circumstances as of the date in question; and the requisite that such principles be applied on a consistent

basis means that the accounting principles observed in a current period are comparable in all material respects to those applied in a preceding period, except to the extent that a deviation therefrom is expressly permitted by this Agreement.

“Governmental Authority” means the United States, the state, the county, the city or any other political subdivision in which the Property is located, and any court or political subdivision, agency, or instrumentality having jurisdiction over Borrower, Guarantor or any of the Property.

“Guarantor” means any such Person who, from time to time guarantees all or any portion of the Indebtedness and Obligations.

“Guaranty” means the guaranty agreement executed by Guarantor or any other Person, guaranteeing all of the Indebtedness and the Obligations, as such may be amended, restated, supplemented or otherwise modified from time to time.

“Hedge Agreement” means (a) any and all interest rate swap transactions, forward rate transactions, interest rate options, cap transactions, floor transactions, collar transactions, currency swap transactions, cross-currency rate swap transactions, currency options, or any other swap, forward, futures, option or other similar agreements or transactions or any combination of any of the foregoing (including any options to enter into any of the foregoing), whether or not any such transaction is governed by or subject to any master agreement, (b) any and all transactions of any kind, and the related confirmations, which are subject to the terms and conditions of, or governed by, any form of master agreement published by the International Swaps and Derivatives Association, Inc., or any other master agreement (any such master agreement, together with any related schedules and annexes, a “Master Agreement”) and (c) any and all Master Agreements and any and all related confirmations.

“Hedge Obligations” means, at any time with respect to any Person, all indebtedness, liabilities, and obligations of such Person under or in connection with any Hedge Agreement, whether actual or contingent, due or to become due and existing or arising from time to time.

“Impositions” means: (i) all real estate and personal property taxes, charges, assessments, standby fees, excises, and levies and any interest, costs, or penalties with respect thereto, general and special, ordinary and extraordinary, foreseen and unforeseen, of any kind and nature whatsoever which at any time prior to or after the execution hereof may be assessed, levied, or imposed upon the Property or the ownership, use, occupancy, or enjoyment thereof, or any portion thereof, or the sidewalks, streets, or alleyways adjacent thereto; (ii) any charges, fees, license payments, or other sums payable for or under any easement, license, or agreement maintained for the benefit of the Property; (iii) water, gas, sewer, electricity, and other utility charges and fees relating to the Property; and (iv) assessments and charges arising under any subdivision, condominium, planned unit development, or other declarations, restrictions, regimes, or agreements affecting the Property.

“Improvements” means all improvements on the Land of any kind or nature, and any and all additions, alterations, betterments or appurtenances thereto, now or at any time hereafter situated, placed, or constructed upon the Land or any part thereof.

“Indebtedness” means all present and future indebtedness, obligations, and liabilities, including all direct and contingent obligations arising under letters of credit, banker’s acceptances, bank guaranties and similar instruments, Hedge Obligations under any Secured Hedge Agreement, net obligations under any swap contract, overdrafts, Automated Clearing House obligations, and other financial accommodations which could be considered a liability under Recognized Accounting Principles, and all renewals, extensions, and modifications thereof, or any part thereof, in each case now owed or hereafter

owing to Bank by Borrower or any other Obligated Party, and all interest accruing thereon and costs, expenses, and all attorneys' fees paid or incurred by Bank in the enforcement or collection thereof, regardless of whether such indebtedness, obligations, and liabilities are direct, indirect, fixed, contingent, liquidated, unliquidated, joint, several, due or to become due, or joint and several, including, but not limited to, all indebtedness, obligations, and liabilities evidenced, secured, or arising from time to time under or pursuant to any of the Loan Documents, and all renewals and extensions thereof, or any part thereof, and all present and future amendments thereto. "Indebtedness," however, does not include any Debt which is covered by the federal Truth-in-Lending Act.

"Knowledge" means, with respect to a particular subject, area, or aspect of the Borrower or Guarantor, the actual knowledge of Richard Tang, or an officer of the Borrower or Guarantor, or an employee or person with the primary responsibility for a matter, subject, or area, with respect to each such Person, the knowledge a prudent person could be expected to discover or otherwise acquire in the course of conducting reasonably comprehensive investigations concerning the existence of facts or other matters or aspect of Borrower.

"Land" means the real property owned by IVFP located at 220 Oak Hill Road, Mountain Top, Pennsylvania 18518.

"Lease" means a lease or other agreement for occupancy of the Land and Improvements.

"Legal Requirements" means (a) any and all present and future judicial decisions, statutes, rulings, rules, regulations, permits, certificates, or ordinances of any Governmental Authority in any way applicable to any Borrower, Guarantor or the Property, including, without limiting the generality of the foregoing, the ownership, use, occupancy, possession, construction, operation, maintenance, alteration, repair, or reconstruction thereof, (b) any and all covenants, conditions, and restrictions contained in any deeds, other forms of conveyance, or in any other instruments of any nature that relate in anyway or are applicable to the Property or the ownership, use, or occupancy thereof, (c) any Borrower's or Guarantor's present or subsequently effective bylaws and articles of incorporation, operating agreement or regulations and articles of organization or partnership, limited partnership, joint venture, trust, or other form of business association agreement, and (d) any and all Leases and other contracts (written or oral), of any nature that relate in any way to the Property and to which any Borrower or Guarantor may be bound.

"Lien" means any valid and enforceable interest in any property, whether real, personal or mixed, securing an indebtedness, obligation or liability owed to or claimed by any Person other than the owner of such property, whether such indebtedness is based on the common law or any statute, ordinance or contract and including, but not limited to, liens created by or pursuant to a security interest, pledge, mortgage, assignment, conditional sale, trust receipt, lease, consignment or bailment for security purposes.

"Loan" means the Advance made by Bank to Borrower pursuant to this Agreement as evidenced by the Note.

"Loan Documents" means this Agreement, the Note, the Security Instruments, each Guaranty, any Secured Hedge Agreements, and any other agreements, instruments and documents evidencing, securing, guaranteeing or pertaining to the Loan as shall from time to time be executed and delivered to Bank by Borrower or any other party pursuant to this Agreement, including, without limitation, any future amendments hereto, or restatements hereof, or pursuant to the terms of any of the other loan documents, together with any and all renewals, extensions, and restatements of, and amendments and modifications to, any such agreements, documents, and instruments.

“Material Adverse Effect” means any set of circumstances or events which with respect to any Person (a) could reasonably be expected to have any material adverse effect whatsoever upon the validity, performance, or enforceability of any Loan Document against such Person, (b) is or could reasonably be expected to have a material adverse effect upon the condition (financial or otherwise), properties, liabilities (actual or contingent), or business operations of such Person, or (c) could reasonably be expected to materially impair the ability of such Person to fulfill its obligations under the terms and conditions of the Loan Documents.

“Material Contract” means any agreement or contract of Borrower which is material (or together with related agreements and contracts, is material) to the business, operations, financial condition, performance or properties of Borrower or the Property, taken as a whole.

“Maturity Date” means June 13, 2048.

“Maximum Lawful Rate” means the maximum non-usurious rate of interest (or, if the context so requires, an amount calculated at such rate) which Bank is allowed to contract for, charge, take, reserve, or receive in this transaction under applicable federal or state (whichever is higher) law from time to time in effect after taking into account, to the extent required by applicable federal or state (whichever is higher) law from time to time in effect, any and all relevant payments or charges under the Loan Documents.

“Note” means the promissory note dated on or about even date herewith executed by the Borrower and payable to the Bank in the original principal amount of \$9,057,840, as such may be amended, increased, replaced, restated, renewed and extended from time to time.

Note Rate: The rate equal to the lesser of (a) the Maximum Lawful Rate, or (b) the greater of (i) WSJP plus 1.25% per annum or (ii) 4.50% per annum.

“Obligated Party” means Borrower, Guarantor and any other Person who is or becomes party to or makes any agreement, instrument or document that guarantees or secures payment and performance of any of the Indebtedness, and/or the Obligations or any part thereof.

“Obligations” means any and all of the covenants, conditions, warranties, representations and other obligations (other than to repay the Indebtedness) made or undertaken by Borrower or any other Obligated Party to Bank as set forth in the Loan Documents, or any other agreement as to which any Borrower is granted a possessory interest in the Property.

“Permitted Encumbrances” has the meaning given in the Security Instrument.

“Person” means any individual, firm, corporation, limited liability company, association, partnership, joint venture, trust, other entity, unincorporated organization or Governmental Authority.

“Property” means the Land, the Improvements and all other property, real and personal of the Borrower, including as described in the Security Instrument or in any of the other Loan Documents.

“Recognized Accounting Principles” means GAAP, tax, cash basis or other accounting principles acceptable to Bank and applied on a consistent basis from one period to another.

“Related Indebtedness” has the meaning set forth in Section 8.5.

“Rights” means any rights, remedies, powers, and privileges exercisable by Bank under any of the Loan Documents, in each case whether at law, in equity, or otherwise.

“Secured Hedge Agreement” means any Hedge Agreement entered into by and between the Borrower, or any other Obligated Party, and Bank.

“Security Instrument” means the deed of trust or mortgage encumbering the Property to secure payment and performance of the Indebtedness and the Obligations, as such may be amended, restated, supplemented or otherwise modified from time to time and the term “Security Instruments” shall mean all such deeds of trust or mortgages.

“Subordinated Debt” means all Debt of Borrower, whether now existing or hereafter incurred, which is subordinate in right of payment to the Indebtedness, pursuant to a written agreement executed by such parties required by, and in form and content reasonably satisfactory to, Bank.

“Survey” means an ALTA survey of the Land consisting of a plat and field notes, prepared by a licensed surveyor acceptable to Bank and the Title Company which survey shall: (a) reflect the actual dimensions of the Land, the gross and net area of the Land, the location of any easements, rights-of-way, setback lines, encroachments or overlaps thereof or thereover and the outside boundary lines of any improvements located thereon; (b) identify by recording reference any easements, setback lines or other matters referred to in the title commitment issued by the Title Company; (c) include the surveyor’s registration number and seal and the date of the Survey; (d) include a surveyor’s certificate acceptable to Bank within its reasonable discretion; (e) reflect that the Land has access to and from a publicly dedicated street, roadway or highway; (f) be sufficient to cause the Title Company to delete the “survey exception” in Schedule B of the Title Policy to the extent permitted by the rules of the State Board of Insurance; and (g) reflect the area, including the boundaries thereof, within the Land that has been designated by the Federal Insurance Administration, the Army Corps of Engineers or any other Governmental Authority as being subject to special or increased flood hazards; or any other survey reasonably acceptable to Bank.

“Taxes” means all taxes (including withholding), assessments, fees, levies, impositions, imposts, duties, deductions, withholdings, or other charges of any nature whatsoever from time to time or at any time imposed by any laws or by any Governmental Authority, excluding state and local sales and use taxes.

“Title Company” means the title company or title companies acceptable to Bank, in its reasonable discretion, that is issuing the Title Policy.

“Title Policy” means a loan policy (or policies) of title insurance, and any reinsurance agreement (or agreements) issued by the Title Company in accordance with Exhibit B.

WSJP: The variable rate, as of any date of determination, equal to the “Prime Rate” as published by *The Wall Street Journal*. If WSJP becomes unavailable, Bank may designate a substitute rate of interest after notifying Borrower. Any change in the WSJP will become effective as of the date the rate of interest is different from that on the preceding Business Day.

1.2. Headings. The headings, captions, and arrangements used in any of the Loan Documents are, unless specified otherwise, for convenience only and shall not be deemed to limit, amplify, or modify the terms of the Loan Documents, nor to affect the meaning thereof.

1.3. Number and Gender of Words. Whenever herein the singular number is used, the same shall include the plural where appropriate, and words of any gender shall include each other gender where

appropriate. Reference herein to Borrower shall mean, jointly and severally, each Person comprising same.

1.4. Articles, Sections and Exhibits. All references herein to “Articles” and “Sections” are, unless specified otherwise, references to articles and sections of this Agreement. All references herein to an “Exhibit” or “Schedule” are references to exhibits or schedules attached hereto, all of which are made a part hereof for all purposes, the same as if set forth herein verbatim, it being understood that if any exhibit or schedule attached hereto, which is to be executed and delivered, contains blanks, the same shall be completed correctly and in accordance with the terms and provisions contained and as contemplated herein prior to or at the time of the execution and delivery thereof. The words “herein,” “hereof,” “hereunder” and other similar compounds of the word “here” when used in this Agreement shall refer to the entire Agreement and not to any particular provision or section; and the word “including,” as used herein, shall mean “including, without limitation.”

ARTICLE TWO LOAN

2.1. Loan. Subject to and upon the terms, covenants, and conditions hereof, Bank agrees to make an initial Advance to Borrower in an aggregate principal amount of \$9,057,840.00. No principal amount repaid may be reborrowed.

(a) Conditions Precedent to the Loan. As a condition precedent to the Loan, Borrower must satisfy the conditions required hereby and Bank must have received and approved all of the documents, certificates and other items specified in Exhibit A, together with such other documents, certificates and items as Bank may require from time to time. Bank, at Bank’s option, may, but shall not be obligated to, waive any of the preceding or elect not to require any of the preceding. All conditions precedent to the obligation of Bank to make the Loan are imposed solely for the benefit of Bank.

(b) Note. The obligation of Borrower to repay the unpaid principal of the Loan, and interest thereon, shall be evidenced by the Note.

2.2. Change. If Bank determines that the amount of capital required or expected to be maintained by Bank or any entity controlling Bank, is increased as a result of a Change, then, within thirty (30) days of demand by Bank, Borrower shall pay to Bank the amount necessary to compensate Bank for any shortfall in the rate of return on the portion of such increased capital that Bank determines is directly attributable to each Note or the principal amount outstanding hereunder (after taking into account Bank’s policies as to capital adequacy); provided that, Borrower shall not be required to compensate Bank for any shortfall in the rate of return suffered more than six (6) months prior to the date Bank notifies Borrower of the Change giving rise to such shortfall in the rate of return. Bank’s method of determining any amount payable to Bank under this Section shall be substantially similar to the method used by Bank in implementing similar provisions for similarly situated borrowers and extensions of credit. Bank shall provide Borrower a statement of the amount and the calculations, in reasonably detail, reflecting any such increased cost, reduction in return and/or revenue.

2.3. Method of Payment. All payments of principal, interest and other amounts to be made by Borrower under this Agreement and the other Loan Documents shall be made to Bank in immediately available funds, without setoff, deduction, or counterclaim, and free and clear of all taxes at the time and in the manner provided in the Note. The Bank may, at the Bank’s option, but without any obligation to do so, automatically and without notice to Borrower, sweep or debit from any account of Borrower maintained with Bank, to the extent funds are available, an amount equal to the principal, interest and other amounts due.

2.4. Repayment of Loan. Installments of principal and accrued interest each in the amount of \$80,025.01 shall be due and payable on the first day of each calendar month commencing July 1, 2023 and continuing on the first day of each succeeding calendar month thereafter. The outstanding principal balance and any and all accrued but unpaid interest shall be due and payable in full on the Maturity Date or upon the earlier maturity hereof, whether by acceleration or otherwise. No principal amount repaid may be reborrowed. The unpaid principal balance of the Note at any time shall be the total amount advanced hereunder by Lender less the amount of principal payments made hereon by or for Borrower, which balance may be endorsed hereon from time to time by Lender or otherwise noted in Lender's records, which notations shall be, absent manifest error, conclusive evidence of the amounts owing hereunder from time to time. If the Note Rate changes, Lender, at its sole option, may from time to time recalculate the periodic installment amount so that the remaining periodic installments will fully amortize the remaining loan balance within the remaining amortization term in equal installments at the interest rate then being charged under the Note. BORROWER AGREES TO PAY THE PERIODIC INSTALLMENTS AS THEY MAY BE RECALCULATED BY LENDER, AT LENDER'S SOLE OPTION, FROM TIME TO TIME AND ACKNOWLEDGES THAT A RECALCULATION SHALL NOT AFFECT THE MATURITY DATE OR THE OTHER TERMS AND PROVISIONS OF THE NOTE.

2.5. Computation Period. Interest on the indebtedness evidenced by the Note shall be computed on the basis of a three hundred sixty (360) day year and shall accrue on the actual number of days elapsed for any whole or partial month in which interest is being calculated. In computing the number of days during which interest accrues, the day on which funds are initially advanced shall be included regardless of the time of day such advance is made, and the day on which funds are repaid shall be included unless repayment is credited prior to the close of business on the Business Day received as provided in Section 2.3 hereof.

2.6. Amortization. This Loan shall be amortized over three hundred (300) months.

2.7. Prepayment. Borrower shall have the right to prepay, at any time and from time to time upon at least five (5) Business Days prior written notice to Lender, without, except as set forth herein, fee, premium or penalty, all or any portion of the outstanding principal balance hereof; provided, however, that such prepayment shall also include any and all accrued but unpaid interest on the amount of principal being so repaid through and including the date of prepayment, plus any other sums which have become due to Lender under the other Loan Documents on or before the date of prepayment, but which have not been fully paid, including (a) for prepayments from the Closing Date to and including June 13, 2024, 5% of the outstanding principal amount thereof; (b) for prepayments after June 13, 2024 to and including June 13, 2025, 4% of the outstanding principal amount thereof; (c) for prepayments after June 13, 2025 to and including June 13, 2026, 3% of the outstanding principal amount thereof; (d) for prepayments after June 13, 2026 to and including June 13, 2027, 2% of the outstanding principal amount thereof; (e) for prepayments after June 13, 2027 to and including June 13, 2028, 1% of the outstanding principal amount thereof; and (f) for prepayments after June 13, 2028, 0% of the outstanding principal amount thereof. Borrower agrees that all fees and other prepaid finance charges are fair and reasonable and are earned fully when due and are not subject to refund upon early payment (whether voluntarily or involuntarily), except as otherwise required by law. Prepayments of principal shall be applied in inverse order of maturity. If at any time, the principal amount hereof exceeds the principal amount stated above, Borrower shall immediately make a payment to Lender in an amount of not less than such excess.

ARTICLE THREE
REPRESENTATIONS AND WARRANTIES

Borrower represents and warrants to Bank as follows:

3.1. Financial Statements. The Financial Statements are true, correct and complete as of the dates specified therein and fully and fairly present the financial condition of Borrower as of the dates specified therein. Since the date of the Financial Statements most recently submitted to Bank by Borrower, no material adverse change has occurred in the financial condition of Borrower nor, except as heretofore disclosed in writing to Bank, has Borrower incurred any material liability, direct or indirect, fixed or contingent. Borrower, as of the date of the Advance, is solvent. Neither Borrower nor any other Obligated Party has any material Debt, other contingent liabilities, liabilities for taxes, any long-term lease obligations or unusual forward or long-term commitments, or any Hedge Agreement or other transaction or obligation in respect of derivatives, that are not reflected in the most recent financial statements referred to in this paragraph, other than the payments made in connection with that certain Severance Agreement, dated as of January 1, 2023.

3.2. Suits, Actions, Etc. There are no actions, suits or proceedings pending or to the best of Borrower's Knowledge threatened in writing before or by any Governmental Authority against or affecting Borrower, any other Obligated Party or the Property, or involving the validity, enforceability or priority of any of the Loan Documents except as has been disclosed or shall be disclosed in writing to Bank. To the best of its Knowledge, Borrower is not, and the execution and delivery of the Loan Documents and consummation of the transactions contemplated hereby and the performance or satisfaction of any of the terms or conditions hereof and of the other Loan Documents will not cause Borrower to be, in violation of or in default with respect to any Legal Requirement or in default (or provide cause for acceleration of indebtedness) under any Material Contract to which Borrower is a party or by which Borrower or the Property may be bound.

3.3. Status of Borrower; Valid and Binding Obligations. If Borrower is a corporation, limited liability company, partnership or other entity, Borrower is and shall until the Indebtedness is fully discharged continue to (a) be duly organized and validly existing and in good standing under the laws of the state of its organization, (b) be in compliance with all conditions prerequisite to its lawfully doing business in Texas and any other state in which it conducts business, and (c) possess all power and authority necessary to own and operate each Property. All of the Loan Documents, upon execution and delivery, will constitute valid and binding obligations of Borrower and each Obligated Party, enforceable against Borrower and each Obligated Party in accordance with their terms except as the enforcement thereof may be limited by Debtor Relief Laws.

3.4. Title to the Property. IVFP holds good and indefeasible fee simple title (or the equivalent thereof pursuant to applicable law) to the Land and all Improvements thereon, free and clear of any Liens and subject only to the Permitted Encumbrances.

3.5. Purpose of Loan. The proceeds of the Loan shall be used by Borrower to refinance current existing debt with MapleMark Bank, finance working capital, and Capital Improvements to the Property.

3.6. No Failure To Disclose. No representation or warranty made by Borrower or any other Obligated Party under this Agreement or any other Loan Document, and no document, instrument or certificate furnished, to be furnished or caused or to be furnished by Borrower or any other Obligated Party to Bank in anticipation of or pursuant to this Agreement or any other Loan Document, contains or

will contain any untrue statement of a material fact or omits or will omit to state a material fact necessary to make the statements contained therein not misleading.

3.7. Taxes. All federal, state, foreign, and other Tax returns of Borrower and each Obligated Party required to be filed have been filed, or an extension has been timely filed in connection therewith, all federal, state, foreign, and other Taxes imposed upon Borrower and each Obligated Party which are due and payable have been paid, and no material amounts of Taxes not reflected on such returns are payable by Borrower and each Obligated Party, other than Taxes being contested in good faith by appropriate legal proceedings.

3.8. Consents, Approvals and Filings, Etc. Except as have been previously obtained or as otherwise expressly provided in this Agreement, no authorization, license, or formal exemption from, any Governmental Authority or other Person, is required in connection with the execution and performance by Borrower or any other Obligated Party of any Loan Document.

3.9. Contracts, Agreements and Leases. To the best of Borrower's Knowledge, Borrower is not in default (nor has any event occurred which, with the passing of time or the giving of notice, or both, would cause a default) under any Lease or Material Contract to which it is a party or by which it or any of its properties or assets are bound, where such default would have a Material Adverse Effect.

3.10. Relationship. The relationship between Borrower and Bank established under this Agreement and the other Loan Documents is solely that of borrower and lender, and Bank has no fiduciary or other special relationship with Borrower arising out of this Agreement and the other Loan Documents, and no term or condition of any of the Loan Documents shall be construed so as to deem the relationship between Borrower and Bank to be other than that of borrower and lender.

3.11. No Assignment. Borrower has made no previous assignment of its rights to or interests in the Leases or the rents due thereunder.

3.12. Compliance with Legal Requirements. The Improvements comply with all applicable Legal Requirements for which the failure to do so could reasonably be expected to have a Material Adverse Effect, and the use to which Borrower is using and intends to use the Land and Improvements complies with or will comply with such Legal Requirements.

3.13. Disclaimer of Permanent Financing. Borrower acknowledges and agrees that Bank has not made any commitments, either express or implied, to extend the term of the Loan past its applicable maturity date, except to the extent, if any, that the same is expressly stated in this Agreement or in the other Loan Documents.

3.14. Leases. A true, complete and correct copy of the Leases affecting the Property have been delivered to Bank.

ARTICLE FOUR AFFIRMATIVE COVENANTS

Borrower covenants and agrees with Bank that, so long as any of the Indebtedness or Obligations remains outstanding, or Bank has any commitment to make Advances hereunder or any other obligation under any of the Loan Documents:

4.1. Hazard and Other Insurance.

(a) Borrower shall obtain and maintain the insurance coverage required by Exhibit C and any other Loan Documents and shall furnish to Bank promptly upon request a certificate or certificates from the respective insurer(s) setting forth the nature and extent of all such insurance maintained by Borrower, and a certified copy of the original policy, including all endorsements thereto, and a satisfactory certificate of insurance with premiums fully paid. Any such insurance may be evidenced by blanket insurance policies covering the Property and other property and assets, provided that each policy otherwise complies with the requirements of the Loan Documents and specifies the amount (if less than all) of the total coverage that is allocated to the Property. Borrower shall not take out separate insurance concurrent in form or contributing in the event of loss with that required to be maintained hereunder unless Bank is included thereon under a standard mortgagee clause (without contribution) acceptable to Bank, with loss payable as provided herein. All insurance shall be primary without right of contribution from any other insurance that may be carried by Borrower or Bank and all of the provisions thereof shall operate in the manner as if there were a separate policy covering each insured. Borrower shall immediately notify Bank whenever any such separate insurance is taken out and shall promptly deliver to Bank any policy or certificate of such separate insurance.

(b) Not later than ten (10) days before the expiration date of any such insurance policy, Borrower shall deliver to Bank a binder or certificate of the insurer evidencing the renewal or replacement of that policy, with premiums fully paid, together with (in the case of a renewal) a copy of all endorsements to the policy affecting the Property and not previously delivered to Bank, or (in the case of a replacement) an original or certified copy of the replacement policy. Borrower shall pay all premiums on policies required hereunder as they become due and payable and promptly deliver to Bank evidence satisfactory to Bank, in Bank's reasonable discretion, of the timely payment thereof. Borrower shall at all times comply with the requirements of the insurance policies required hereunder and of the issuers of such policies and of any board of fire underwriters or similar body as applicable to or affecting the Property.

(c) If Borrower fails to obtain and/or maintain the insurance required under the Loan Documents, (i) Borrower shall indemnify and hold Bank harmless from and against any damage, loss, liability, claim, cost and expense resulting from all risks that would have been covered by the required insurance if so maintained, (ii) if any loss occurs, Bank shall nevertheless be entitled to the benefit of all insurance covering the loss and held by or for Borrower, to the same extent as if it had been made payable to Bank, and (iii) Bank has the Right (but not the obligation), after thirty (30) days prior notice to the Borrower, to obtain such insurance at Borrower's expense, which may, at Bank's election, be coverage for Bank's interest in the Property only (excluding Borrower's equity in the Property, if any), or such other amount as Bank may determine in Bank's sole discretion, and the costs and expenses so expended by Bank shall be due and payable by Borrower on demand, as part of the Indebtedness, even if in excess of the amount set forth in Section 2.1, and secured by the Loan Documents. **TEXAS FINANCE CODE SECTION 307.052 COLLATERAL PROTECTION INSURANCE NOTICE: (A) BORROWER IS REQUIRED TO (i) KEEP THE PROPERTY INSURED AGAINST DAMAGE IN THE AMOUNT SPECIFIED HEREIN; (ii) PURCHASE THE INSURANCE FROM AN INSURER THAT IS AUTHORIZED TO DO BUSINESS IN THE STATE OF TEXAS OR AN ELIGIBLE SURPLUS LINES INSURER OR OTHERWISE AS PROVIDED HEREIN; AND (iii) NAME BANK AS THE PERSON TO BE PAID UNDER THE POLICY IN THE EVENT OF A LOSS AS PROVIDED HEREIN; (B) SUBJECT TO THE PROVISIONS HEREOF, BORROWER MUST, IF REQUIRED BY BANK, DELIVER TO BANK A COPY OF THE POLICY AND PROOF OF THE PAYMENT OF PREMIUMS; AND (C) SUBJECT TO THE PROVISIONS HEREOF, IF BORROWER FAILS TO MEET ANY REQUIREMENT LISTED IN THE FOREGOING SUBPARTS (A) OR (B).**

BANK MAY OBTAIN COLLATERAL PROTECTION INSURANCE ON BEHALF OF BORROWER AT BORROWER'S EXPENSE.

(d) Upon the foreclosure of any Security Instrument or transfer of title to the Property in lieu of foreclosure, all of Borrower's Right, title and interest in and to the insurance policies referred to in this Section (including unearned premiums) and all proceeds payable thereunder shall thereupon vest in the purchaser at foreclosure or other such transferee to the extent permissible under such policies.

(e) Bank has the Right (but not the obligation) to make proof of loss for, settle and adjust any claim under, and receive the proceeds of, all insurance for loss of or damage to the Property, and the costs and expenses (including reasonable attorneys' fees of outside counsel), appraisal costs, and consultant fees incurred by Bank in the adjustment and collection of insurance proceeds shall be due and payable by Borrower on demand, as part of the Indebtedness, even if in excess of the amount set forth in Section 2.1, and secured by the Loan Documents. Bank shall not be, under any circumstances, liable or responsible for failure to collect or exercise diligence in the collection of any of such proceeds or for the obtaining, maintaining or adequacy of any insurance or for failure to see to the proper application of any amount paid over to Borrower.

(f) Borrower shall take all action necessary or desirable or requested by Bank to obtain the benefit of any insurance proceeds lawfully or equitably payable to Borrower or Bank in connection with any loss of or damage to the Property and shall apply such insurance proceeds to the payment of the Indebtedness, unless otherwise consented to in writing by Bank. The unpaid portion of the Indebtedness shall remain in full force and effect and the payment thereof shall not be excused.

4.2. Capital Improvement Reserve. Borrower shall deposit the Capital Improvement Reserve funds designated for Capital Improvements to be held in Controlled Account with Bank. Bank will approve disbursements for Capital Improvements at the Borrower's Land only.

4.3. Compliance with Legal Requirements. Borrower shall timely comply with all Legal Requirements (except where the failure to so comply would not have a Material Adverse Effect) and shall deliver evidence thereof to Bank, if reasonably requested by Bank. Borrower shall assume full responsibility for the compliance of the Property with all Legal Requirements and with sound building and engineering practices, notwithstanding any approvals by Bank.

4.4. Construction Contracts. Borrower shall become party to no contracts in excess of, in the aggregate, \$500,000 in any fiscal year for the performance of any work on the Property or for the supplying of any labor, materials, or services for the alteration of the Improvements, except upon such terms and with such parties as shall be approved in writing by Bank.

4.5. Correction of Defects. Borrower shall correct or cause to be corrected (a) any material defect in the Improvements, (b) any material departure of the Improvements from the Legal Requirements or the requirements of any Lease, and (c) any encroachment by any part of the Improvements or any structure located on the Land on any building line, easement, property line, or restricted area.

4.6. Inspection of the Property. Upon reasonable prior written notice and for the duration of the Loan, Borrower shall permit Bank, Agency, and any of their agents and representatives to enter upon the Property for the purpose of inspecting the Property.

4.7. Notices by Governmental Authority; Fire and Casualty Losses, Etc. Borrower shall timely comply with and promptly furnish to Bank true and complete copies of any material notice or

claim by any Governmental Authority pertaining to the Property. Borrower shall promptly notify Bank of any fire or other casualty or any notice of taking or eminent domain action or proceeding affecting the Property.

4.8. Agency Requirements. Reserved.

4.9. Utilities; Access. All utility services necessary for the operation of the Improvements for their intended purposes are available and connected to the Improvements and all roads necessary for access to and from the Property have been completed.

4.10. Additional Documents. Borrower shall, and shall cause the Guarantors to, execute and deliver to Bank, from time to time as required by Bank, such other agreements, instruments and documents as shall reasonably be necessary or requested by Bank to provide the Rights and remedies to Bank granted or provided for by the Loan Documents.

4.11. Financial Statements; Other Reports. For so long as any Indebtedness remains outstanding, Borrower shall, unless Bank otherwise consents in writing, furnish to Bank the following:

(a) *Annual Financial Statements*. As soon as available, and in any event within the earlier of sixty days after filing with the SEC or ninety (90) days after the end of each fiscal year of Borrower, beginning with the fiscal year ending December 31, 2023, a copy of the audited financial report of the Borrower for such fiscal year containing, on a consolidated basis, balance sheets and statements of income, retained earnings, and cash flow as at the end of such fiscal year and for the 12-month period then ended, in each case setting forth in comparative form the figures for the preceding fiscal year, all in reasonable detail and audited and certified by independent certified public accountants of recognized standing acceptable to Bank to the effect that such report has been prepared in accordance with GAAP and containing no material qualifications or limitations on scope.

(b) *Semi-Annual Financial Statements*. As soon as available, and in any event within the earlier of thirty (30) days after filing with the SEC or forty-five days after the end of each June and December, commencing June 30, 2023, a copy of the financial report of the Borrower for such period containing, on a consolidated basis, balance sheets and statements of income, retained earnings, and cash flow as at the end of such fiscal period and for the 12-month period then ended, in each case setting forth in comparative form the figures for the preceding fiscal year, all in reasonable detail and certified by the chief financial officer of the Borrower to the effect that such report has been prepared in accordance with GAAP and containing no material qualifications or limitations on scope.

(c) *Semi-Annual Compliance Certificate*. As soon as available, and in any event within the earlier of thirty days (30) after filing with the SEC or forty-five days after the end of each June and December, commencing June 30, 2023, a compliance certificate certified by a responsible officer of the Borrower reasonably acceptable to Bank.

(d) *Proceedings*. Promptly after the commencement thereof, notice of all actions, suits, and proceedings before any Governmental Authority or arbitrator affecting Borrower, any Guarantor, or any Property;

(e) *Events of Default*. As soon as possible and in any event within five (5) Business Days after Borrower has Knowledge of the occurrence of each Event of Default, a written notice setting forth the details of such Event of Default and the action that Borrower has taken and proposes to take with respect thereto;

(f) *Material Adverse Effect.* As soon as possible and in any event within five (5) Business Days after the occurrence thereof, written notice of any matter that could have a Material Adverse Effect; and

(g) *Additional Information.* Such additional financial information and other information as Bank may reasonably request in writing from time to time.

4.12. Guarantor Financial Reporting. For so long as any Indebtedness remains outstanding, Guarantor shall, unless Bank otherwise consents in writing, furnish to Bank the following:

(a) *Annual Financial Statements.* As soon as available, and in any event within the earlier of sixty days after filing with the SEC or ninety (90) days after the end of each fiscal year of Guarantor, beginning with the fiscal year ending December 31, 2023, a copy of the audited financial report of the Guarantor for such fiscal year containing, on a consolidated basis, balance sheets and statements of income, retained earnings, and cash flow as at the end of such fiscal year and for the 12-month period then ended, in each case setting forth in comparative form the figures for the preceding fiscal year, all in reasonable detail and audited and certified by independent certified public accountants of recognized standing acceptable to Bank to the effect that such report has been prepared in accordance with GAAP and containing no material qualifications or limitations on scope.

4.13. Financial Information. All representations and warranties set forth in the Loan Documents with respect to any Financial Statements or other financial information concerning Borrower, any other Obligated Party, the Property or otherwise, shall apply to all such information delivered to Bank by Borrower, any other Obligated Party, or any Person purporting to be an officer, director, or controller thereof, regardless of the method of transmission to Bank.

4.14. Compliance with Leases and Material Contracts. Subject to the provisions contained in the Security Instrument, Borrower shall comply with all material terms and conditions of the Leases, Material Contracts, and all other lease or rental agreements covering any premises or property (real or personal) wherein any of the Property is or may be located, and any Legal Requirement, except where the failure to so comply could not cause a Material Adverse Effect.

4.15. No Liability of Bank. Bank shall have no liability, obligation or responsibility with respect to the alteration, if any, of the Improvements or any Property. Bank shall not be obligated to inspect the Property or the alteration of the Improvements, and any inspection conducted by Bank is solely for the benefit of Bank and does not give rise to any duty of Bank to report or relay the results of any such inspections to Borrower or otherwise create any liability of Bank to Borrower; provided that Bank shall deliver a copy of any third-party inspection report to the Borrower. Bank shall not be liable for the performance or default of Borrower, or any other party, or for any failure to construct, complete, protect or insure the Improvements, or for the payment of costs of labor, materials or services supplied for the alteration of the Improvements, or for the performance of any obligation of Borrower or any other Obligated Party. Nothing herein or in any other Loan Document, nor any other action taken by Bank, including, without limitation, any Advance made by Bank or acceptance of any document or instrument by Bank, shall be construed as a representation or warranty, express or implied, to any party by Bank. Further, Bank shall not have, and has not assumed, and by its execution and delivery of this Agreement hereby expressly disclaims, any liability or responsibility for the payment or performance of any indebtedness or obligations of Borrower, and no term or condition hereof, or of any of the Loan Documents, shall be construed otherwise. Bank has no liability or obligation in connection with the Property.

4.16. Defense of Third Party Actions. Bank may (but shall not be obligated to) commence, appear in or defend any action or proceeding purporting to affect the Loan, the Property or the respective Rights and obligations of Bank or Borrower pursuant to this Agreement. Bank may (but shall not be obligated to) pay all necessary expenses, including reasonable attorneys' fees of outside counsel and out-of-pocket expenses incurred in connection with any such proceedings or actions, which Borrower agrees to repay to Bank upon demand other than any action brought by Bank against Borrower and/or Guarantor in which the Borrower and/or Guarantor are determined to be the prevailing parties.

4.17. Restrictions and Annexation. Borrower shall not impose any restrictive covenants or encumbrances upon the Property, execute or file any subdivision plat affecting the Property or consent to the annexation of the Property to any city without the prior written consent of Bank, such consent not to be unreasonably withheld, conditioned or delayed, and Bank hereby agrees that upon reasonable request by Borrower it shall evidence such consent in a written instrument reasonably satisfactory to both Bank and Borrower.

4.18. Maintenance of Entity Existence, Assets and Business; Continuance of Present Business. Borrower shall preserve and maintain its existence and all of its leases, licenses, permits, franchises, qualifications, and rights that are necessary or desirable in the ordinary conduct of its business. Borrower will conduct its business in an orderly and efficient manner in accordance with good business practices. Borrower shall notify Bank of any adverse findings, made by any Governmental Authority if not corrected within thirty (30) days. Borrower shall notify Agency of any adverse findings made by any Governmental Authority within fifteen (15) days. Borrower shall keep or cause to be kept all of Borrower's assets which are useful and necessary in their respective businesses in good repair, working order and condition, and will make or cause to be made all necessary repairs, renewals and replacements as may be reasonably required. Borrower will keep the Property in good order, repair, operating condition and appearance, causing all necessary repairs, renewals, replacements, additions and improvements to be promptly made, and will not allow any of the Property to be misused, abused or wasted or to deteriorate. Borrower will not, without the prior written consent of Bank (such consent not to be unreasonably withheld, conditioned or delayed), (i) remove from the Property any fixtures or personal property covered by the Security Instrument except those replaced by Borrower by an article of equal suitability and value, owned by Borrower, free and clear of any lien or security interest (except that created by the Security Instrument); (ii) make any structural alteration to the Property which impairs the use or value thereof or any other alterations thereto which impair the value thereof; or (iii) make any alteration to the Property involving an estimated expenditure exceeding \$250,000.

4.19. Tax Receipts. Borrower shall pay all Taxes levied on the Property before the date on which such taxes become delinquent; provided no such Taxes need to be paid to the extent such Taxes are being contested in good faith by appropriate proceedings, Borrower has established adequate reserves in accordance with Recognized Accounting Principles, and the taxing authority has not filed any action to foreclose any tax lien it may have with respect to such Taxes.

4.20. Incumbency. Borrower shall, from time to time, at the reasonable request of Bank, certify to Bank the names, signatures and positions of all persons authorized to execute and deliver any of the Loan Documents.

4.21. Depository Relationship. To induce Bank to establish the interest rates provided for in the Note, and if and to the extent permitted by applicable laws, Borrower shall use and maintain Bank as its principal depository bank, including for the maintenance of business, cash management, operating and administrative deposit accounts, commencing no later than sixty (60) days after the Effective Date. Notwithstanding the foregoing, with prior written notice to Bank, Borrower shall be permitted to maintain an account at a nationally recognized bank for the primary purpose of having ready access to cash for

petty cash needs (in an amount not to exceed \$20,000). Except as permitted in the preceding sentence, if Borrower maintains a bank account with any financial institution other than Bank, it shall cause, within sixty days of the date such account is opened with any such financial institution, such financial institution to execute a control agreement in form and substance satisfactory to Bank.

4.22. Operation of Property. Borrower will operate the Property in accordance with all Legal Requirements (except where the failure to comply would not have a Material Adverse Effect) and will pay all fees or charges of any kind in connection therewith. Borrower will not knowingly or through its negligence use, or allow the use of, the Property in any manner which violates any Legal Requirement or which constitutes a public or private nuisance or which makes void, voidable or cancelable, any insurance then in force with respect thereto. Borrower will not initiate or permit any zoning reclassification of the Property which is unacceptable to Bank in its reasonable discretion or seek any variance under existing zoning ordinances applicable to the Property which is unacceptable to Bank in its reasonable discretion or use or permit the use of the Property in such a manner which would result in such use becoming a nonconforming use under applicable zoning ordinances or other applicable laws. Borrower will not impose any restrictive covenants or encumbrances upon the Property nor execute or file any subdivision plat or replat affecting the Property, without the prior written consent of Bank (such consent not to be unreasonably withheld, conditioned or delayed). Borrower will not agree or consent to any drilling or exploration for, or extraction, removal or production of Minerals from the surface or subsurface of the Property regardless of the depth thereof or the method of mining or extraction thereof. Borrower will not do or suffer to be done any act whereby the value of any part of the Property may be materially lessened. Borrower will allow Bank or its authorized representatives to enter the Property at any reasonable time during business hours to inspect the Property and Borrower will use commercially reasonable efforts to assist Bank or said representative in making such inspection. If Borrower receives a material notice or claim from any federal, state or other governmental entity pertaining to the Property, including, without limitation, a notice that the Property is not in compliance with any Legal Requirement, Borrower will promptly furnish a copy of such notice or claim to Bank.

4.23. Debts; Payment of Impositions. Borrower will cause all debts and liabilities of any character, including, without limitation, all debts and liabilities for labor, material and equipment and all debts and charges for utilities servicing the Property, to be promptly paid. Borrower will duly pay and discharge, or cause to be paid and discharged, the Impositions not later than the earlier to occur of (i) the due date thereof, (ii) the date any fine, penalty, interest, or cost may be added thereto or imposed, or (iii) the date prior to any date any lien may be filed for the nonpayment thereof (if such date is used to determine the due date of the respective item), and Borrower shall deliver to Bank a written receipt evidencing the payment of the respective Imposition.

4.24. Condemnation. Immediately upon obtaining Knowledge of the institution of any proceedings for the condemnation of the Property or any portion thereof, or any other proceedings arising out of injury or damage to the Property, or any portion thereof, Borrower will notify Bank of the pendency of such proceedings. Borrower shall, at its expense, diligently prosecute any such proceedings, and shall consult with Bank, its attorneys and experts, and cooperate with them in carrying on a defense of any such proceedings. All proceeds of condemnation awards or proceeds of sale in lieu of condemnation with respect to the Property and all judgments, decrees and awards for injury or damage to the Property shall be paid to Bank and shall be applied, first, to reimburse Bank for all reasonable costs and out-of-pocket expenses, including, without limitation, reasonable attorneys' fees of outside counsel, incurred in connection with collection of such proceeds and, second, the remainder of said proceeds shall be applied, at the sole discretion of Bank, to the payment of the Indebtedness (without premium or penalty) in the order determined by Bank in its sole discretion or paid out to repair or restore the Property so affected by such condemnation, injury or damage. In any event the unpaid portion of the Indebtedness shall remain in full force and effect and Borrower shall not be excused in the payment thereof. Borrower

hereby assigns and transfers all such proceeds, judgments, decrees and awards to Bank and agrees to execute such further assignments of all such proceeds, judgments, decrees and awards as Bank may request. Bank shall not be, in any event or circumstance, liable or responsible for the failure to collect, or the failure to exercise diligence in the collection of, any such proceeds, judgments, decrees or awards.

4.25. **Further Assurances.** Borrower will, on request of Bank, promptly (i) correct any defect, error or omission which may be discovered in the contents of this Agreement or in any other instrument now or hereafter executed in connection herewith or in the execution or acknowledgment thereof; and (ii) execute, acknowledge, authorize, deliver and record or file such further instruments and do such further acts as may be reasonably necessary, desirable or proper to carry out more effectively the purposes of this Agreement.

4.26. **Fees and Expenses.** Subject to any applicable limitations provided in the other Loan Documents, Borrower will pay all appraisal fees, filing and recording fees, inspection fees, survey fees, taxes, brokerage fees and commissions, abstract fees, title policy fees, uniform commercial code search fees, escrow fees, reasonable attorneys' fees of outside counsel, and all other documented costs and out-of-pocket expenses of every character incurred by Borrower or Bank in connection with the Indebtedness, either at the closing thereof or at any time during the term thereof, or otherwise attributable or chargeable to Borrower as owner of the Property, and will reimburse Bank for all such reasonable costs and expenses incurred by Bank. Borrower shall pay all expenses and reimburse Bank for any expenditures, including, without limitation, reasonable attorneys' fees of outside counsel and legal expenses, incurred or expended in connection with (i) the breach by Borrower of any covenant herein or in any other Loan Document; (ii) Bank's exercise of any of its rights and remedies hereunder or under the Note or any other Loan Document or Bank's protection of the Property and its lien and security interest therein; or (iii) any amendments to this Agreement, the Security Instrument, the Note or any other Loan Document or any matter requested by Borrower or any approval required hereunder. Borrower will indemnify and hold harmless Bank (for purposes of this Subsection, the term "Bank" shall include the directors, officers, partners, employees, representatives, attorneys and agents of the trustee under the Security Instrument and Bank, respectively, and any persons or entities owned or controlled by, owning or controlling, or under common control or affiliated with the trustee under the Security Instrument and Bank, respectively) from and against, and reimburse them for, all claims, demands, liabilities, losses, damages, causes of action, judgments, penalties, costs and expenses (including, without limitation, reasonable attorneys' fees of outside counsel) which may be imposed upon, asserted against or incurred or paid by them by reason of, on account of or in connection with any bodily injury or death or property damage occurring in or upon or in the vicinity of the Property through any cause whatsoever or asserted against them on account of any act performed or omitted to be performed hereunder or on account of any transaction arising out of or in any way connected with the Property or with this Agreement, the Note or any other Loan Document other than any liability, damage or expense arising out of the gross negligence or willful misconduct of the Bank or applicable indemnified party as determined by a court of competent jurisdiction by final and non-appealable judgment. **WITHOUT LIMITATION OF THE FOREGOING, IT IS THE INTENTION OF BORROWER, AND BORROWER AGREES, THAT THE FOREGOING INDEMNITIES SHALL APPLY TO EACH INDEMNIFIED PARTY WITH RESPECT TO CLAIMS, DEMANDS, LIABILITIES, LOSSES, DAMAGES, CAUSES OF ACTION, JUDGMENTS, PENALTIES, COSTS AND EXPENSES (INCLUDING, WITHOUT LIMITATION, REASONABLE ATTORNEYS' FEES OF OUTSIDE COUNSEL) WHICH IN WHOLE OR IN PART ARE CAUSED BY OR ARISE OUT OF THE NEGLIGENCE (WHETHER SOLE, COMPARATIVE OR CONTRIBUTORY) OR STRICT LIABILITY OF SUCH (AND/OR ANY OTHER) INDEMNIFIED PARTY.** The foregoing indemnities shall not terminate upon release or other termination of this Agreement but will survive the repayment of the Indebtedness and the discharge and release of this Agreement and the other Loan Documents.

4.27. Appraisal. If Bank, in good faith, deems it necessary to have the Land and Improvements appraised, Borrower agrees to such and acknowledges that Borrower will bear the cost of the new appraisal which shall be performed by an appraiser acceptable to Bank; provided, however, Borrower shall not be liable for the cost of more than one (1) appraisal per Property during any one (1) year period unless the requirement of an appraisal is caused, in whole or in part, by the occurrence of an Event of Default or is required by a Governmental Authority.

4.28. Financial Covenants.

(a) Minimum Fixed Charge Coverage Ratio. Borrower will not permit, for Borrower and its Subsidiaries on a consolidated basis, the Fixed Charge Coverage Ratio to be less than 1.25 to 1.00, measured quarterly on the last day of each quarter commencing June 30, 2023.

(b) Equity Cure. For purposes of determining compliance with Section 4.28(a), an equity contribution (in the form of cash paid or contributed in respect of common equity of a Borrower) made to a Borrower after the date of this Agreement and on or prior to the day that is 15 calendar days after the day on which the Compliance Certificate is required to be delivered pursuant to Section 4.11(c) will be included in the calculation of Consolidated Net Income for the most recently ended period solely for the purpose of determining compliance with Section 4.28(a) as of the end of such period (any such equity contribution being a "Specified Equity Contribution") provided that:

(i) the Specified Equity Contribution will be delivered to Bank for application to the principal outstanding under the Loan;

(ii) no more than two Specified Equity Contributions will be permitted in any eighteen month period and only one Specified Equity Contribution may be made in any six-month period;

(iii) the Specified Equity Contribution will be disregarded for all purposes other than the calculation of compliance with Section 4.28(a), and

(iv) written notice of any Borrower's intent to include a Specified Equity Contribution shall be delivered to Bank no later than the day on which the Compliance Certificate is required to be delivered under this Agreement for the applicable period.

**ARTICLE FIVE
NEGATIVE COVENANTS**

Borrower covenants and agrees that, so long as any of the Indebtedness or Obligations remain outstanding, or Bank has any commitment to make Advances hereunder or any other obligation under the Loan Documents:

5.1. Debt. Borrower will not, directly or indirectly, incur, create, assume, or permit to exist, any Debt in connection with the Property, except:

(a) Debt to Bank;

(b) Trade Debt incurred in the ordinary course of business not to exceed, in the aggregate, \$7,000,000 at any one time outstanding, unless otherwise consented to in writing by Bank, provided that all such obligations are paid within sixty (60) days of the date when due;

- (c) Subordinated Debt;
- (d) Purchase money Debt or capital leases not to exceed, in the aggregate, \$1,500,000 at any one time outstanding;
- (e) Hedge Obligations existing or arising under Hedge Agreements permitted under Section 5.10; and
- (f) unsecured guarantees incurred in the ordinary course of business with respect to surety and appeal bonds, performance bonds, and similar obligations in an amount not to exceed, in the aggregate, \$250,000 at any one time outstanding.

5.2. Contingent Liabilities. Borrower will not, directly or indirectly, assume, guarantee, endorse, contingently agree to purchase or otherwise become liable upon the obligation of any Person (other than Borrower) in connection with the Property except by the endorsement of negotiable instruments for deposit or collection or similar transactions in the ordinary course of business.

5.3. Limitation on Liens. Borrower will not, directly or indirectly, incur, create, assume, or permit to exist any Lien upon any of the Property, whether now owned or hereafter acquired, except:

- (a) The Permitted Encumbrances;
- (b) Encumbrances consisting of minor easements, zoning restrictions, or other restrictions on the use of real property that do not (individually or in the aggregate) materially affect the value of the assets encumbered thereby or materially impair the ability of Borrower to use such assets in their respective businesses, and none of which is violated in any material respect by existing or proposed structures or land use;
- (c) Liens for taxes, assessments, or other governmental charges which are being contested in good faith and for which adequate reserves have been established;
- (d) Liens resulting from good faith deposits to secure payments of workmen's compensation or other social security programs or to secure the performance of tenders, statutory obligations, surety and appeal bonds, bids, or contracts (other than for payment of Debt), or Leases made in the ordinary course of business; and
- (e) Purchase money Liens on specific personal property to secure Debt used to acquire such property to the extent permitted in Section 5.1.

5.4. Mergers, Etc. Borrower will not, directly or indirectly, (a) become a party to a merger or consolidation where the Borrower is not the surviving entity, (b) purchase or otherwise acquire all or substantially all of the assets of any Person or any shares, or other evidence of beneficial ownership of any Person in an amount in excess of \$500,000, unless otherwise approved in writing by Bank, or (c) wind-up, dissolve, liquidate, or terminate. Borrower shall not amend, modify or otherwise change the organizational or trust documents of the Borrower without the prior written consent of Bank which shall not be unreasonably withheld.

5.5. Restricted Payments. Borrower will not, directly or indirectly, declare or pay any dividends or make any other payment or distribution (in cash, property, or obligations) on account of its equity interests, or redeem, purchase, retire, or otherwise acquire any of its equity interests, or set apart any money for a sinking or other analogous fund for any dividend or other distribution on its equity

interests or for any redemption, purchase, retirement, or other acquisition of any of its equity interests, or incur any obligation (contingent or otherwise) to do any of the foregoing, provided, however that so long as no Event of Default has occurred or will occur as a result of any such payment, Borrower may pay dividends and make distributions to holders of its equity interests in the ordinary course of its business.

5.6. Loans and Investments. Borrower will not, directly or indirectly, make any advance, loan, extension of credit, or capital contribution to or investment in, or purchase, any stock, bonds, notes, debentures, or other securities of, any Person in connection with the Property, except:

(a) readily marketable direct obligations of the United States of America or any agency thereof with maturities of one year or less from the date of acquisition; and

(b) fully insured depository accounts maintained at a commercial bank operating in the United States of America having capital and surplus in excess of \$50,000,000.00.

5.7. Transactions With Affiliates. Borrower will not, directly or indirectly, enter into any transaction, including, without limitation, the purchase, sale, or exchange of property or the rendering of any service or the payment of any management, advisory or similar fees, with any Affiliate of Borrower, except in the ordinary course of and pursuant to the reasonable requirements of Borrower's business, or pursuant to a transaction which is otherwise expressly permitted under this Agreement and upon fair and reasonable terms no less favorable to Borrower than would be obtained in a comparable arm's-length transaction with a Person not an Affiliate of Borrower. Borrower shall not enter into an agreement for the development or management of any Property without the prior written consent of, and the subordination of any fees related thereto in form and substance satisfactory to, the Bank.

5.8. No Negative Pledge. Borrower will not enter into or permit to exist any arrangement or agreement, other than pursuant to this Agreement or any Loan Document, which directly or indirectly prohibits or limits Borrower from creating or incurring a Lien on its Property, whether now owned or hereafter acquired.

5.9. Judgments. Borrower will not allow any judgment in excess of \$250,000 rendered against it to remain undischarged or unsuperseded for a period of thirty (30) consecutive days during which execution shall not be effectively stayed.

5.10. Hedge Agreements. Borrower will not enter into any Hedge Agreement unless it receives the prior written consent of Bank.

5.11. Change in Organization. Borrower shall not (a) change the state of Borrower's organization as it exists on the Effective Date, or (b) change Borrower's name as it exists on the Effective Date, unless Borrower shall have notified Bank in writing of such change at least thirty (30) days prior to the effective date or such shorter period as Bank may agree of such change, and shall have first taken all action required by Bank for the purpose of further perfecting or protecting the security interest in favor of Bank in the Property. In any written notice furnished pursuant to this Section, Borrower will expressly state that the notice is required by this Agreement and contains facts that may require additional filings of financing statements or other notices for the purpose of continuing perfection of Bank's security interest in the Property.

5.12. No Disposition. Except for Leases in the ordinary course of business of the Borrower, Borrower will not make a Disposition without obtaining Bank's prior written consent to the Disposition, other than a final Disposition if the proceeds are sufficient to pay off the Loan in full and the Loan is in fact paid in full.

5.13. Limitations on Equipment and Fixed Assets. Borrower must not acquire additional fixed assets (including assignments, transfers and leases) that would result in Borrower not being in compliance with the Financial Covenants, provided in Section 4.28 of this Agreement, without the Bank's written consent. Borrower will not lease, sell, transfer, or otherwise encumber fixed assets without the concurrence of the lender. Disposition of fixed assets serving as collateral for this loan must also have the concurrence of the Agency.

ARTICLE SIX EVENT OF DEFAULT

The term "Event of Default," as used herein, shall include the occurrence of any one or more of the following events (after giving effect to any grace or cure periods provided for herein):

6.1. Payment of Indebtedness. Borrower fails to pay any principal, interest or any other Indebtedness, or any part thereof, within five (5) days of the date on which such payment is due.

6.2. Covenants. Borrower or any other Obligated Party shall fail to provide to Bank timely any financial statement, report or notice required by Section 4.9 of this Agreement; or shall otherwise breach any provision of Article Four or Article Five of this Agreement.

6.3. Voluntary Debtor Relief. Borrower or any other Obligated Party shall (a) execute an assignment for the benefit of creditors or take any action in furtherance thereof, or be or become adjudicated as bankrupt or insolvent, or (b) generally not, or be unable to, or admit in writing its inability to, or fail to, pay its debts generally as they become due, or (c) file a voluntary petition, or commence any other case, proceeding or other action pursuant to, or voluntarily seek the benefit or benefits of or relief under, any Debtor Relief Law or take any action in furtherance thereof, or (d) apply for or seek, acquiesce in, consent to or suffer the appointment of a receiver, trustee, custodian, liquidator or other similar official of it or of the Property or any part thereof or of any significant portion of its other property, or (e) institute or voluntarily be or become a party to any other proceeding seeking to effect a suspension or having the effect of suspending any of the Rights of Bank granted or referred to in the Loan Documents or of the trustee under the Security Instrument or take any action in furtherance thereof or (f) file an answer admitting the material allegations of or consenting to, or default in, a petition filed against it in any liquidation, conservatorship, bankruptcy, reorganization, rearrangement, or other insolvency proceedings.

6.4. Involuntary Proceedings. The filing of a petition, case, proceeding or other action against Borrower or any other Obligated Party as a debtor under any Debtor Relief Law or seeking appointment of a receiver, trustee, custodian or liquidator of it or of the Property or any part thereof or of any significant portion of its other property or seeking to effect a suspension or having the effect of suspending any of the Rights of Bank granted or referred to in the Loan Documents or of the trustee under the Security Instrument and (a) Borrower or any other Obligated Party admits, acquiesces in or fails to contest diligently the material allegations thereof, or (b) the petition, case, proceeding or other action results in entry of an order for relief or order granting the relief sought against it, or (c) the petition, case, proceeding or other action is not permanently dismissed or discharged on or before the earlier of trial thereon or sixty (60) days next following the date of its filing.

6.5. Default Under Other Security Instruments. An event of default under, or the acceleration of any indebtedness secured by, any other mortgage, security interest or assignment which covers or affects any part of the Property (but this provision does not grant or imply consent to any such deed of trust, security interest or assignment).

6.6. Levy. The levy against the Property or any part thereof, or against any significant portion of Borrower's or any other Obligated Party's other property, of any execution, garnishment, attachment, sequestration or other writ or similar proceeding which is not permanently dismissed or discharged within sixty (60) days after the levy.

6.7. Misrepresentation. Any statement, representation or warranty heretofore or hereafter made by Borrower or any other Obligated Party in this Agreement or any other Loan Document or in any other document or any statement or representation made in any certificate, report, or opinion delivered to Bank pursuant to or in connection with the Loan Documents, is false, misleading, or erroneous in any material respect at the time made.

6.8. Abandonment. Abandonment of any portion of any Property.

6.9. Judgment. Borrower or any other Obligated Party shall allow any judgment for the payment of money in excess of \$250,000.00 rendered against it to remain undischarged or unsuperseded for a period of sixty (60) days during which execution shall not be effectively stayed.

6.10. Dissolution. The dissolution, liquidation, termination or forfeiture of the Right to do business of Borrower or any other Obligated Party for any reason whatsoever.

6.11. Non-Compliance with Legal Requirements. A determination by Bank of any failure of the alteration of any part of the Improvements, or of any of the materials, articles or fixtures supplied for incorporation into the alteration of the Improvements, to comply with any Legal Requirement, or the requirements of any Lease, in any material respect, and such failure continues for a period of thirty (30) days after the date any officer of Borrower obtains Knowledge of such failure or Bank sends notice to Borrower of such failure; provided, that, if the subject of such failure is, by its nature, not readily susceptible to cure within such thirty (30) day period, Borrower has provided to Bank written notice of the occurrence of such failure within thirty (30) days after the date such failure first occurred, and Borrower shall have commenced to cure the same within such thirty (30) day period and thereafter diligently and expeditiously proceeds to cure the same, then such failure shall not constitute an "Event of Default" unless such failure is not cured prior to a date that is ninety (90) days from the date such failure first occurred; provided that any such notice and/or cure period shall not relieve Borrower of its obligations under Section 4.4 hereof.

6.12. Fraudulent Transfer. Borrower or any other Obligated Party shall have (i) concealed, removed, or permitted to be concealed or removed any part of its property with the intent to hinder, delay or defraud any of its creditors, or (ii) made or suffered a transfer of any of its property which may be fraudulent under any bankruptcy, fraudulent conveyance or similar law, or (iii) suffered or permitted while insolvent (under any applicable definition of the term) any creditor to obtain a Lien upon any of its property through legal proceedings or distraint, which Lien is not permanently vacated within thirty (30) days from the date thereof.

6.13. Destruction or Condemnation of Improvements. If any portion of the Property is demolished, destroyed, or substantially damaged, or any portion of the Property is taken or threatened to be taken by eminent domain, so that in any event, in Bank's reasonable judgment, the same cannot be restored or rebuilt with available funds to the condition existing immediately prior to such demolition, destruction, or damage within a reasonable period of time.

6.14. Defaults on Other Debt or Agreements. Borrower or any other Obligated Party shall fail to make any payment when due on or in respect of any Debt owing to any Person (other than Bank) or to perform, observe or comply with any covenant, agreement or other obligation to be performed, observed

or complied with by Borrower in any agreement between Borrower and any other Person (subject to any grace and/or cure periods provided therein), which failure could reasonably be expected to have a Material Adverse Effect.

6.15. Other Agreements with Bank. A default or event of default shall occur and be continuing after the expiration of any applicable grace, notice, and cure periods under any other Loan Document.

6.16. Tax Lien Loan. (a) Borrower or any other Obligated Party shall obtain a loan to pay all or any portion of the ad valorem taxes accrued and/or accruing against the Property or any portion thereof (a "Tax Lien Loan"), (b) Borrower or any other Obligated Party shall execute a deed of trust or other lien instrument encumbering the Property or any portion thereof to secure a Tax Lien Loan, or (c) any taxing authority shall assign its lien securing the payment of ad valorem taxes accrued and/or accruing against the Property or any portion thereof to a third party to secure or collateralize a Tax Lien Loan.

6.17. Full Force and Effect. If any Loan Document shall cease to be in full force and effect or shall be declared null and void or the validity or enforceability thereof shall be contested or challenged by the Borrower or any other Obligated Party or any of their respective partners, members, shareholders or other equity holders, or the Borrower or any other Obligated Party shall deny that it has any further liability or obligation under any of the Loan Documents, or any lien or security interest created by the Loan Documents shall for any reason cease to be a valid, first priority perfected security interest in and lien upon any Property.

6.18. Cross Default. The occurrence of any event of default, after applicable notice and cure periods, under (a) any Loan Agreement dated on or about June 6, 2022 between Innovative Food Holdings, Inc. and Bank or any other document, agreement, and instrument executed in connection therewith or (b) any other documents, agreement, and instruments executed by Borrower with or in favor of Bank (other than the Loan Documents).

ARTICLE SEVEN CERTAIN RIGHTS AND REMEDIES OF BANK

7.1. Rights Upon Event of Default. If any Default or Event of Default shall occur and be continuing, Bank may, without notice, declare the Indebtedness or any party thereof to be immediately due and payable, and the same shall thereupon become immediately due and payable, without notice, demand, presentment, notice of dishonor, notice of acceleration, notice of intent to accelerate, notice of intent to demand, protest, or other formalities of any kind, all of which are hereby expressly waived by Borrower; provided, however, that upon the occurrence of an Event of Default under Sections 6.3 or 6.4, the Indebtedness shall become immediately due and payable without notice, demand, presentment, notice of dishonor, notice of acceleration, notice of intent to accelerate, notice of intent to demand, protest, or other formalities of any kind, all of which are hereby expressly waived by Borrower. If any Event of Default shall occur and be continuing, Bank may exercise all Rights and remedies available to it in law or in equity, under the Loan Documents, or otherwise.

7.2. Performance by Bank. Should any covenant, duty, or agreement of Borrower fail to be performed in accordance with the terms of the Loan Documents, Bank may, at its option, perform, or attempt to perform, such covenant, duty or agreement on behalf of Borrower. In such event, Borrower shall pay to Bank on demand any amount expended by Bank in such performance or attempted performance, together with interest thereon at the Default Interest Rate from the date of such expenditure by Bank until paid. Notwithstanding the foregoing, it is expressly understood that Bank does not assume and shall never have any liability or responsibility for the performance of any duties of Borrower hereunder. Without limiting the generality of the foregoing, upon the occurrence of an Event of Default,

Bank shall have the Right, in addition to any other Right of Bank, but not the obligation, in its own name or in the name of Borrower, to enter into possession of the Property; and to employ security personnel and other safeguards to protect the Property. Borrower hereby appoints Bank as the attorney-in-fact of Borrower with full power of substitution, and in the name of Borrower if Bank elects to do so, upon the occurrence of an Event of Default, to (a) use such sums as are necessary, including any proceeds of the Loan, (b) endorse the name of Borrower on any checks or drafts representing proceeds of the insurance policies required hereunder, or other checks or instruments payable to Borrower with respect to the Property, (c) do every act with respect to the alteration of the Improvements which Borrower may do, and (d) prosecute or defend any action or proceeding incident to the Property. The power-of-attorney granted hereby is a power coupled with an interest, is irrevocable and shall not terminate upon disability of the principal. Bank shall have no obligation to undertake any of the foregoing actions, and if Bank should do so, it shall have no liability to Borrower for the sufficiency or adequacy of any such actions taken by Bank.

7.3. Bank Not in Control. None of the covenants or other provisions contained in this Agreement shall, or shall be deemed to, give Bank the Right or power to exercise control over the affairs and/or management of Borrower, or the completion of the tenant improvements, the power of Bank being limited to the Rights to exercise the remedies referred to in the other Sections of this Article; provided that if Bank becomes the owner of any stock of any entity, whether through foreclosure or otherwise, Bank shall be entitled to exercise such legal Rights as it may have by being a shareholder of such entity.

7.4. Waivers. The acceptance by Bank at any time and from time to time of part payment on the Indebtedness shall not be deemed to be a waiver of any Event of Default then existing. No waiver by Bank of any Event of Default shall be deemed to be a waiver of any other then existing or subsequent Event of Default. No waiver by Bank of any of its Rights hereunder, in the other Loan Documents or otherwise shall be considered a waiver of any other or subsequent Right of Bank. No delay or omission by Bank in exercising any Right under the Loan Documents or otherwise shall impair such Right or be construed as a waiver thereof or any acquiescence therein, nor shall any single or partial exercise of any such Right exhaust the same or preclude other or further exercise thereof or the exercise of any other Right under the Loan Documents or otherwise.

7.5. Cumulative Rights. All Rights available to Bank under the Loan Documents shall be cumulative of and in addition to all other Rights of Bank at law, in equity or otherwise whether or not the Indebtedness is due and payable and whether or not Bank shall have instituted any suit for collection, foreclosure or other action in connection with the Loan Documents.

7.6. Setoff. At any time an Event of Default exists, Bank shall be entitled to exercise the Rights of setoff and/or banker's lien against the interest of Borrower and each other Obligated Party in and to each and every account and other property of Borrower and each other Obligated Party which are in the possession of Bank to the extent of the full amount of the Indebtedness. The rights and remedies of Bank hereunder are in addition to other rights and remedies (including, without limitation, other rights of setoff) which Bank may have.

7.7. Receiver. At any time an Event of Default exists, Bank, as a matter of right and without regard to the sufficiency of the security for repayment of the Indebtedness and performance and discharge of the Obligations, without notice to Borrower or other Obligated Party, and without any showing of insolvency, fraud, or mismanagement on the part of Borrower or other Obligated Party, and further without the necessity of filing any judicial or other proceeding other than the proceeding for appointment of a receiver, shall be entitled to the appointment of a receiver or receivers of or for Borrower or the Property or any part thereof, including the rents therefrom, and Borrower and Obligated Party hereby irrevocably consents to the appointment of a receiver or receivers and agrees not to oppose, directly or

indirectly, Bank's efforts to obtain same. Any receiver appointed pursuant to the provisions of this subsection shall have the usual powers and duties of receivers in such matters.

7.8. BORROWER'S INDEMNITY. BORROWER SHALL INDEMNIFY, DEFEND, PROTECT AND HOLD HARMLESS BANK, EACH AFFILIATE OF BANK, AND EACH OF ITS AND THEIR RESPECTIVE DIRECTORS, OFFICERS, EMPLOYEES, REPRESENTATIVES, AGENTS, ATTORNEYS, SUCCESSORS, AND ASSIGNS AND THE TRUSTEE UNDER THE SECURITY INSTRUMENT (COLLECTIVELY, THE "INDEMNIFIED PARTIES") FROM AND AGAINST ANY AND ALL LOSSES, LIABILITIES, DAMAGES, CLAIMS, PENALTIES, JUDGMENTS, DISBURSEMENTS, COSTS AND EXPENSES (INCLUDING, WITHOUT LIMITATION, REASONABLE ATTORNEYS' FEES OF OUTSIDE COUNSEL AND OUT-OF-POCKET EXPENSES), ACTIONS, PROCEEDINGS, OR DISPUTES INCURRED OR SUFFERED OR TO WHICH ANY OF THEM MAY BECOME SUBJECT WHICH DIRECTLY OR INDIRECTLY ARISE FROM OR RELATE TO:

(a) THE NEGOTIATION, EXECUTION, DELIVERY, PERFORMANCE, ADMINISTRATION, OR ENFORCEMENT OF ANY OF THE LOAN DOCUMENTS;

(b) ANY OF THE TRANSACTIONS CONTEMPLATED BY THE LOAN DOCUMENTS;

(c) ANY BREACH BY BORROWER OR ANY OTHER OBLIGATED PARTY OF ANY REPRESENTATION, WARRANTY, COVENANT, OR OTHER AGREEMENT CONTAINED IN ANY OF THE LOAN DOCUMENTS;

THE PRESENCE, RELEASE, THREATENED RELEASE, DISPOSAL, REMOVAL, OR CLEANUP OF ANY HAZARDOUS MATERIAL LOCATED ON, ABOUT, WITHIN OR AFFECTING ANY OF THE PROPERTIES OR ASSETS OF THE BORROWER OR ANY OTHER OBLIGATED PARTY;

ANY LITIGATION CONCERNING THIS AGREEMENT, THE OTHER LOAN DOCUMENTS OR THE PROPERTY, OR ANY INTEREST OF BORROWER OR BANK THEREIN, OR THE RIGHT OF OCCUPANCY THEREOF BY BORROWER OR BANK, WHETHER OR NOT ANY SUCH LITIGATION IS PROSECUTED TO A FINAL, NON-APPEALABLE JUDGMENT;

(d) ANY DISPUTE, INCLUDING DISPUTES AS TO THE DISBURSEMENT OF PROCEEDS OF ANY NOTE NOT YET DISBURSED, AMONG OR BETWEEN BORROWER OR OTHER PARTNERS OR VENTURERS OF BORROWER IF BORROWER IS A GENERAL OR LIMITED PARTNERSHIP, OR AMONG OR BETWEEN ANY EMPLOYEES, OFFICERS, DIRECTORS, SHAREHOLDERS, MEMBERS OR MANAGERS OF BORROWER IF BORROWER IS A CORPORATION OR LIMITED LIABILITY COMPANY OR PARTNERSHIP, OR AMONG OR BETWEEN ANY MEMBERS, TRUSTEES OR OTHER RESPONSIBLE PARTIES IF BORROWER IS AN ASSOCIATION, TRUST OR OTHER ENTITY;

(e) ANY ACTION TAKEN OR NOT TAKEN BY BANK OR TRUSTEE WHICH IS ALLOWED OR PERMITTED UNDER THIS AGREEMENT OR ANY OF THE OTHER LOAN DOCUMENTS RELATING TO BORROWER, THE PROPERTY, OR OTHERWISE IN CONNECTION WITH THE LOAN DOCUMENTS, INCLUDING, WITHOUT LIMITATION, THE PROTECTION OR ENFORCEMENT OF ANY LIEN, SECURITY INTEREST OR OTHER RIGHT, REMEDY OR RECOURSE CREATED OR AFFORDED BY THIS AGREEMENT OR THE OTHER LOAN DOCUMENTS; AND

(f) ANY ACTION BROUGHT BY BANK AGAINST BORROWER UNDER THIS AGREEMENT OR THE OTHER LOAN DOCUMENTS, WHETHER OR NOT SUCH ACTION IS PROSECUTED TO A FINAL, NON-APPEALABLE JUDGMENT;

IN EACH SUCH CASE OTHER THAN ANY LIABILITY, DAMAGE OR EXPENSE ARISING OUT OF THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF THE BANK OR APPLICABLE INDEMNITEE AS DETERMINED BY A COURT OF COMPETENT JURISDICTION BY FINAL AND NON-APPEALABLE JUDGMENT.

WITHOUT LIMITING ANY PROVISION OF THIS AGREEMENT OR OF ANY OTHER LOAN DOCUMENT, IT IS THE EXPRESS INTENTION OF THE PARTIES HERETO THAT EACH PERSON TO BE INDEMNIFIED UNDER THIS SECTION SHALL BE INDEMNIFIED FROM AND HELD HARMLESS AGAINST ANY AND ALL LOSSES, LIABILITIES, CLAIMS, DAMAGES, PENALTIES, JUDGMENTS, DISBURSEMENTS, COSTS, AND OUT-OF-POCKET EXPENSES (INCLUDING REASONABLE ATTORNEYS' FEES OF OUTSIDE COUNSEL) ARISING OUT OF OR RESULTING FROM THE SOLE CONTRIBUTORY OR ORDINARY NEGLIGENCE OF SUCH PERSON.

BANK MAY EMPLOY AN ATTORNEY OR ATTORNEYS TO PROTECT OR ENFORCE ITS RIGHTS, REMEDIES AND RECOURSES UNDER THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS, AND TO ADVISE AND DEFEND BANK WITH RESPECT TO ANY SUCH ACTIONS AND OTHER MATTERS. BORROWER SHALL REIMBURSE BANK FOR ITS REASONABLE ATTORNEYS' FEES OF OUTSIDE COUNSEL AND OUT-OF-POCKET EXPENSES (INCLUDING EXPENSES AND COSTS FOR EXPERTS) IMMEDIATELY UPON RECEIPT OF A WRITTEN DEMAND THEREFOR, WHETHER ON A MONTHLY OR OTHER TIME INTERVAL, AND WHETHER OR NOT AN ACTION IS ACTUALLY COMMENCED OR CONCLUDED. ALL OTHER REIMBURSEMENT AND INDEMNITY OBLIGATIONS HEREUNDER SHALL BECOME DUE AND PAYABLE WHEN ACTUALLY INCURRED BY BANK. ANY PAYMENTS NOT MADE WITHIN TEN (10) DAYS AFTER WRITTEN DEMAND THEREFOR SHALL BEAR INTEREST AT THE DEFAULT INTEREST RATE FROM THE DATE OF SUCH DEMAND UNTIL FULLY PAID. THE PROVISIONS OF THIS SECTION 7.8 SHALL SURVIVE REPAYMENT OF THE INDEBTEDNESS AND PERFORMANCE OF THE OBLIGATIONS, THE RELEASE OF THE LIEN OF THE SECURITY INSTRUMENT, ANY FORECLOSURE (OR ACTION IN LIEU OF FORECLOSURE), THE TRANSFER BY BORROWER OF ANY OR ALL OF ITS RIGHT, TITLE AND INTEREST IN OR TO THE PROPERTY AND THE EXERCISE BY BANK OF ANY AND ALL REMEDIES SET FORTH HEREIN OR IN ANY OTHER LOAN DOCUMENT.

7.9. Limitation of Liability. Neither Bank nor any Affiliate, officer, director, employee, attorney, or agent of Bank shall have any liability with respect to, and Borrower hereby waives, releases, and agrees not to sue any of them upon, any claim for any special, indirect, incidental, or consequential damages suffered or incurred by Borrower in connection with, arising out of, or in any way related to, this Agreement or any of the other Loan Documents, the construction or completion of tenant improvements or the payment of leasing commissions, or any of the transactions contemplated by this Agreement or any of the other Loan Documents, other than such liability arising out of the gross negligence or willful misconduct of the Bank as determined by a court of competent jurisdiction by final and non-appealable judgment. Borrower hereby waives, releases, and agrees not to sue Bank or any of Bank's Affiliates, officers, directors, employees, attorneys, or agents for punitive damages in respect of any claim in connection with, arising out of, or in any way related to, this Agreement or any of the other Loan Documents, the construction or completion of tenant improvements or the payment of leasing commissions, or any of the transactions contemplated by this Agreement or any of the other Loan

Documents, other than in connection with the gross negligence or willful misconduct of the Bank as determined by a court of competent jurisdiction by final and non-appealable judgment.

ARTICLE EIGHT MISCELLANEOUS

8.1. Notices. Unless otherwise expressly provided herein, all notices and other communications provided for hereunder shall be in writing (including by facsimile transmission) and mailed, faxed, or delivered, to the address or facsimile number specified for notices on the signature page below or to such other address as shall be designated by such party in a notice to the other parties. The address set forth below for Borrower shall be used for all communication to Borrower. All such other notices and other communications shall be deemed to have been given or made upon the earliest to occur of (a) actual receipt by the intended recipient, or (b) (i) if delivered by hand or courier, when signed for by the designated recipient, (ii) if delivered by mail, upon deposit in the mail, postage prepaid, and (iii) if delivered by facsimile, when sent and receipt has been confirmed by telephone. Electronic mail and internet websites may be used only to distribute routine communications, such as Financial Statements and other information, and to distribute Loan Documents for execution by the parties thereto, and may not be used for any other purpose.

8.2. Form and Number of Documents. Each agreement, document, instrument, or other writing to be furnished to Bank under any provision of this Agreement must be in form and substance and in such number of counterparts as may be satisfactory to Bank and its counsel.

8.3. Survival. All covenants, agreements, undertakings, representations, and warranties made in any of the Loan Documents shall survive all closings under the Loan Documents and shall continue in full force and effect so long as any part of the Indebtedness remains and, except as otherwise indicated, shall not be affected by any investigation made by any party. Notwithstanding anything contained herein to the contrary, the covenants, agreements, undertakings, representations, and warranties made in Section 4.12, Section 7.8 and Section 7.9 shall survive the expiration or termination of this Agreement, regardless of the means of such expiration or termination.

8.4. GOVERNING LAW; PLACE OF PERFORMANCE. THE LOAN DOCUMENTS ARE BEING EXECUTED AND DELIVERED, AND ARE INTENDED TO BE PERFORMED, IN THE STATE OF TEXAS, AND THE LAWS OF SUCH STATE AND OF THE UNITED STATES SHALL GOVERN THE RIGHTS AND DUTIES OF THE PARTIES HERETO AND THE VALIDITY, CONSTRUCTION, ENFORCEMENT, AND INTERPRETATION OF THE LOAN DOCUMENTS, EXCEPT TO THE EXTENT OTHERWISE SPECIFIED IN ANY OF THE LOAN DOCUMENTS. THIS AGREEMENT, ALL OF THE OTHER LOAN DOCUMENTS (EXCEPT AS MAY BE EXPRESSLY SET FORTH IN ANY LOAN DOCUMENT), AND ALL OF THE OBLIGATIONS OF BORROWER UNDER ANY OF THE LOAN DOCUMENTS ARE PERFORMABLE IN DALLAS COUNTY, TEXAS. VENUE OF ANY LITIGATION INVOLVING THIS AGREEMENT OR ANY LOAN DOCUMENT SHALL BE MAINTAINED IN AN APPROPRIATE STATE OR FEDERAL COURT LOCATED IN DALLAS COUNTY, TEXAS, TO THE EXCLUSION OF ALL OTHER VENUES. BORROWER AGREES THAT SERVICE OF PROCESS UPON IT MAY BE MADE BY CERTIFIED OR REGISTERED MAIL, RETURN RECEIPT REQUESTED, AT ITS ADDRESS SPECIFIED HEREIN. NOTHING HEREIN SHALL AFFECT THE RIGHT OF BANK TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY LAW OR SHALL LIMIT THE RIGHT OF BANK TO BRING ANY ACTION OR PROCEEDING AGAINST BORROWER OR WITH RESPECT TO ANY OF BORROWER'S PROPERTY IN COURTS IN OTHER JURISDICTIONS. THE SCOPE OF EACH OF THE FOREGOING WAIVERS IS INTENDED TO BE ALL ENCOMPASSING OF ANY AND ALL DISPUTES THAT MAY BE FILED IN ANY COURT AND THAT RELATE TO THE

SUBJECT MATTER OF THIS TRANSACTION, INCLUDING, WITHOUT LIMITATION, CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW AND STATUTORY CLAIMS. BORROWER ACKNOWLEDGES THAT THESE WAIVERS ARE A MATERIAL INDUCEMENT TO BANK'S AGREEMENT TO ENTER INTO AGREEMENTS AND OBLIGATIONS EVIDENCED BY THE LOAN DOCUMENTS, THAT BANK HAS ALREADY RELIED ON THESE WAIVERS AND WILL CONTINUE TO RELY ON EACH OF THESE WAIVERS IN RELATED FUTURE DEALINGS. THE WAIVERS IN THIS SECTION ARE IRREVOCABLE, MEANING THAT THEY MAY NOT BE MODIFIED EITHER ORALLY OR IN WRITING, AND THESE WAIVERS APPLY TO ANY FUTURE RENEWALS, EXTENSIONS, AMENDMENTS, MODIFICATIONS, OR REPLACEMENTS IN RESPECT OF THE APPLICABLE LOAN DOCUMENT. IN CONNECTION WITH ANY LITIGATION, THIS AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT.

8.5. Maximum Interest. It is expressly stipulated and agreed to be the intent of Borrower and Bank at all times to comply strictly with the applicable Texas law governing the maximum rate or amount of interest payable on the indebtedness evidenced by the Note or any Loan Document, and the Related Indebtedness (or applicable United States federal law to the extent that it permits Bank to contract for, charge, take, reserve or receive a greater amount of interest than under Texas law). If the applicable law is ever judicially interpreted so as to render usurious any amount (a) contracted for, charged, taken, reserved or received pursuant to any Note, any of the other Loan Documents or any other communication or writing by or between Borrower and Bank related to the transaction or transactions that are the subject matter of the Loan Documents, (b) contracted for, charged, taken, reserved or received by reason of Bank's exercise of the option to accelerate the maturity of any Note and/or any and all indebtedness paid or payable by Borrower to Bank pursuant to any Loan Document other than such Note (such other indebtedness being referred to in this Section as the "Related Indebtedness"), or (c) Borrower will have paid or Bank will have received by reason of any prepayment by Borrower of any Note and/or the Related Indebtedness, then it is Borrower's and Bank's express intent that all amounts charged in excess of the Maximum Lawful Rate shall be automatically canceled, ab initio, and all amounts in excess of the Maximum Lawful Rate theretofore collected by Bank shall be credited on the principal balance of such Note and/or the Related Indebtedness (or, if such Note and the Related Indebtedness have been or would thereby be paid in full, refunded to Borrower), and the provisions of such Note and the other Loan Documents shall immediately be deemed reformed and the amounts thereafter collectible hereunder and thereunder reduced, without the necessity of the execution of any new document, so as to comply with the applicable law, but so as to permit the recovery of the fullest amount otherwise called for hereunder and thereunder; provided, however, if such Note has been paid in full before the end of the stated term of such Note, then Borrower and Bank agree that Bank shall, with reasonable promptness after Bank discovers or is advised by Borrower that interest was received in an amount in excess of the Maximum Lawful Rate, either refund such excess interest to Borrower and/or credit such excess interest against such Note and/or any Related Indebtedness then owing by Borrower to Bank. Borrower hereby agrees that as a condition precedent to any claim or counterclaim (in which event such proceeding shall be abated for such time period) seeking usury penalties against Bank, Borrower will provide written notice to Bank, advising Bank in reasonable detail of the nature and amount of the violation, and Bank shall have sixty (60) days after receipt of such notice in which to correct such usury violation, if any, by either refunding such excess interest to Borrower or crediting such excess interest against such Note to which the alleged violation relates and/or the Related Indebtedness then owing by Borrower to Bank. All sums contracted for, charged, taken, reserved or received by Bank for the use, forbearance or detention of any debt evidenced by such Note and/or the Related Indebtedness shall, to the extent permitted by applicable law, be amortized or spread, using the actuarial method, throughout the stated term of such Note and/or the Related Indebtedness (including any and all renewal and extension periods) until payment in full so that the rate or amount of interest on account of such Note and/or the Related Indebtedness does not exceed the Maximum Lawful Rate from time to time in effect and applicable to such Note and/or the Related

Indebtedness for so long as debt is outstanding. In no event shall the provisions of Chapter 346 of the Texas Finance Code which regulates certain revolving credit loan accounts and revolving triparty accounts apply to such Note and/or any of the Related Indebtedness. Notwithstanding anything to the contrary contained herein or in any of the other Loan Documents, it is not the intention of Bank to accelerate the maturity of any interest that has not accrued at the time of such acceleration or to collect unearned interest at the time of such acceleration.

8.6. Ceiling Election. To the extent that Bank is relying on Chapter 303 of the Texas Finance Code to determine the Maximum Lawful Rate payable on any Note and/or any other portion of the Indebtedness, Bank will utilize the weekly ceiling from time to time in effect as provided in such Chapter 303, as amended. To the extent federal law permits Bank to contract for, charge, take, receive or reserve a greater amount of interest than under Texas law, Bank will rely on federal law instead of such Chapter 303 for the purpose of determining the Maximum Lawful Rate. Additionally, to the extent permitted by applicable law now or hereafter in effective, Bank may, at its option and from time to time, utilize any other method of establishing the Maximum Lawful Rate under such Chapter 303 or under other applicable law by giving notice, if required, to Borrower as provided by applicable law now or hereafter in effect.

8.7. Invalid Provisions. If any provision of any of the Loan Documents is held to be illegal, invalid, or unenforceable under present or future laws effective during the term thereof, such provision shall be fully severable, the appropriate Loan Document shall be construed and enforced as if such illegal, invalid, or unenforceable provision had never comprised a part thereof; and the remaining provisions thereof shall remain in full force and effect and shall not be effected by the illegal, invalid, or unenforceable provision or by its severance therefrom. Furthermore, in lieu of such illegal, invalid, or unenforceable provision, there shall be added automatically as a part of such Loan Document a provision as similar in terms to such illegal, invalid, or unenforceable provision as may be possible and be legal, valid, and enforceable.

8.8. Costs and Expenses. Borrower shall pay Bank, on demand, all reasonable costs and expenses of Bank, including, without limitation, reasonable attorneys' fees and legal expenses, incurred by Bank in perfecting, revising, protecting or enforcing any of its rights or remedies against any Obligated Party or any Property, or otherwise incurred by Bank in connection with any Default or Event of Default or the enforcement of the Loan Documents or the Indebtedness. Following Bank's demand upon Borrower for the payment of any such costs and expenses, and until the same are paid in full, the unpaid amount of such costs and expenses shall constitute Indebtedness and shall bear interest at the default rate of interest provided for in the Note.

8.9. Entirety and Amendments. This instrument embodies the entire agreement between the parties relating to the subject matter hereof (except documents, agreements and instruments delivered or to be delivered in accordance with the express terms hereof), supersedes all prior agreements and understandings, if any, relating to the subject matter hereof, and may be amended only by an instrument in writing executed jointly by Borrower and Bank and supplemented only by documents delivered or to be delivered in accordance with the express terms hereof.

8.10. Multiple Counterparts; Facsimiles. This Agreement has been executed in a number of identical counterparts, each of which constitutes an original and all of which constitute, collectively, one agreement; but in making proof of this Agreement, it shall not be necessary to produce or account for more than one such counterpart. Delivery of an executed counterpart of this Agreement by facsimile transmission or other electronic mail transmission (e.g., ".pdf" or ".tif") shall be effective as delivery of an executed original

counterpart and shall constitute a covenant to deliver an executed original counterpart, but the failure to do so shall not affect the validity, enforceability and binding effect of this Agreement. This provision shall apply to all of the Loan Documents as if fully set forth therein.

8.11. Parties Bound. This Agreement shall be binding upon and inure to the benefit of Borrower, Bank and their respective successors and assigns; provided that neither Borrower nor Borrower may, without the prior written consent of Bank, assign any of its Rights, duties, or obligations hereunder. No term or provision of this Agreement shall inure to the benefit of any Person other than Borrower, Borrower and Bank and their respective successors and assigns; consequently, no Person other than Borrower, Borrower and Bank and their respective successors and assigns, shall be entitled to rely upon, or to raise as a defense, in any manner whatsoever, the failure of Borrower, Borrower or Bank to perform, observe, or comply with any such term or provision.

8.12. Bank's Consent or Approval. Except where otherwise expressly provided in the Loan Documents, in any instance where the approval, consent or the exercise of judgment of Bank is required, the granting or denial of such approval or consent and the exercise of such judgment shall be (a) within the sole discretion of Bank, and (b) deemed to have been given only by a specific writing intended for that purpose and executed by Bank. Each provision for consent, approval, inspection, review, or verification by Bank is for Bank's own purposes and benefit only.

8.13. Sale of Participations. Bank may, from time to time and without notice to Borrower, sell or offer to sell the Indebtedness, or interests therein, to one or more assignees or participants and Bank is hereby authorized to disseminate and disclose any information (whether or not confidential or proprietary in nature) Bank now has or may hereafter obtain pertaining to Borrower, the Indebtedness or the Loan Documents (including, without limitation, any credit or other information regarding Borrower, any of its principals, or any other person or entity liable, directly or indirectly, for any part of the Loan, to (a) any such assignee or participant or any prospective assignee or prospective participant, (b) any regulatory body having jurisdiction over Bank or the Indebtedness, and (c) any other persons or entities as may be necessary or appropriate in Bank's reasonable judgment). Bank, as a courtesy to Borrower, will endeavor to notify Borrower of any such assignees or participants, or prospective assignees or participants, to which Bank disseminates any of the information described above.

8.14. Loan Agreement Governs. In the event of any conflict between the terms of this Agreement and any terms of any other Loan Document, the terms of this Agreement shall govern. All of the Loan Documents are by this reference incorporated into this Agreement.

8.15. WAIVER OF JURY TRIAL. TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, BORROWER HEREBY IRREVOCABLY AND EXPRESSLY WAIVES ALL RIGHT TO A TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM (WHETHER BASED UPON CONTRACT, TORT, OR OTHERWISE) ARISING OUT OF OR RELATING TO ANY OF THE LOAN DOCUMENTS OR THE TRANSACTIONS CONTEMPLATED THEREBY OR THE ACTIONS OF BANK IN THE NEGOTIATION, ADMINISTRATION, OR ENFORCEMENT THEREOF.

8.16. Waiver of Fraudulent Inducement. Neither Bank nor any affiliate of Bank has made any representation, warranty or statement to Borrower in order to induce Borrower to execute this Agreement or the other Loan Documents. Borrower hereby expressly waives any claim of fraudulent inducement to execute this agreement or the other Loan Documents and further disclaims any reliance or statements on or representations of Bank in waiving such claim.

8.17. Waiver of Consequential, Punitive and Speculative Damages. Borrower and bank agree that, in connection with any action, suit or proceeding relating to or arising out of this agreement or any of

the other Loan Documents, each mutually waives to the fullest extent permitted by applicable law any claim for consequential, punitive or speculative damages.

8.18. STATUTE OF FRAUDS NOTICE. THIS WRITTEN LOAN AGREEMENT AND THE OTHER LOAN DOCUMENTS REPRESENT THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

EFFECTIVE as of the Effective Date.

BANK:

MAPLEMARK BANK

By: /s/ Kendall Scott
Kendall Scott, Senior Vice President

Address for Notices:

MapleMark Bank

4143 Maple Ave., Suite 100

Dallas, Texas 75219

Telephone No.: (972) 698-5752

Attention: Kendall Scott

e-mail: Kendall.Scott@MapleMarkBank.com

BORROWER:

INNOVATIVE FOOD HOLDINGS, INC.,
a Florida corporation

By: /s/ Richard Tang
Richard Tang, Chief Financial Officer

INNOVATIVE FOOD PROPERTIES, LLC,
a Delaware limited liability company

By INNOVATIVE FOOD HOLDINGS, INC.,
a Florida corporation,
its sole member

By: /s/ Richard Tang
Richard Tang, Chief Financial Officer

Address for Notices:
28411 Race Track Road
Bonita Springs, FL 34135
Attention: Samuel Klepfish

LIST OF EXHIBITS AND SCHEDULES

- EXHIBIT A - Conditions Precedent
 - EXHIBIT B - Title Policy Requirements
 - EXHIBIT C - Insurance Requirements
-

EXHIBIT A

TO

LOAN AGREEMENT

Conditions Precedent

Promissory Note.

Security Instrument.

[Guaranty Agreement]

Environmental Indemnity.

Title Policy.

Leases.

Flood Certificate.

Payment of all fees and expenses of Bank.

An appraisal of the Property by a qualified MAI appraiser approved by Bank, in form, scope and substance reasonably satisfactory to Bank.

ESA Phase I Assessment approved by Bank.

A minimum of 10 percent balance sheet equity will be required at loan closing. Balance sheet equity must be met in the form of either cash or earning assets contributed to the business and reflected on the business' balance sheet. Balance sheet equity will be determined using a balance sheet prepared in accordance with Generally Accepted Accounting Principles and will not include appraisal surplus or bargain purchase gains. Intangible assets reflected on the balance sheet that enhance a business' value, such as patents or franchise fees, may be included as equity only in an amount acceptable to the Agency. Subordinated debt may be included when the subordinated debt is in exchange for cash injected into the business and is subject to a standstill agreement for the life of the loan. The note or other form of evidence must be submitted to the Agency in order for subordinated debt to count towards meeting the balance sheet equity requirement.

Insurance Policies, certificates and binders required pursuant to Section 4.1 and Exhibit C to this Agreement, together with a schedule of insurance in form and substance satisfactory to Bank.

Settlement Statement.

Satisfactory evidence that all zoning ordinances or restrictive covenants affecting the Property permit the present and intended uses of the Property and have been and will be complied with.

Satisfactory evidence of the Property's compliance with the requirements of all applicable environmental protection laws, rules and regulations, whether federal, state or municipal.

Satisfactory evidence that all utility and sanitary sewage services and facilities necessary for the use of the Improvements are available, or will be available, to the Land.

Satisfactory evidence that all of the streets providing access to the Property have been either dedicated to public use or established by private easement, duly recorded in the records of the county in which the Property is located, and have been fully installed and accepted by Governmental Authority, that all costs and expenses of the installation and acceptance thereof have been paid in full and that there are no restrictions on the use and enjoyment of such streets that adversely affect, limit or impair the Property to Bank.

Other documents, instruments and information reasonably requested by Bank.

EXHIBIT B

TO

LOAN AGREEMENT

Title Policy Requirements

Borrower shall deliver to Bank, at Borrower's expense, a standard loan policy of title insurance in accordance with the laws and practices of the applicable state. The Title Policy shall (a) show "MapleMark Bank" as the insured mortgagee, (b) insure the Lien of the Security Instrument as a first lien against the Land and Improvements in the full amount of the Loan, (c) delete the exception for matters which a current survey would show, and all "standard" exceptions which can be deleted, to the fullest extent authorized under applicable title insurance rules and Borrower shall satisfy all requirements therefor, (d) contain (i) no exception for standby fees or real estate taxes other than standby fees and real estate taxes for the year in which the Closing Date occurs to the extent the same are not then due and payable in which case the same shall be endorsed "not yet due and payable" and (ii) no exception for subsequent assessments for prior years, (e) provide full coverage against mechanic's liens to the extent authorized by applicable title insurance rules and Borrower shall satisfy all requirements therefor, (f) contain only such exceptions (regardless of rank or priority) Bank approves, and Borrower shall cause to be delivered to Bank true, complete and fully legible copies of all recorded instruments shown as exceptions, including the subdivision plat (if any) and any restrictive covenants, (g) insure that no restrictive covenants shown in the Title Policy have been violated, and that no violation of the restrictions will result in a reversion or forfeiture of title, (h) insure that the lands shown in the required Survey are one and the same as the lands encumbered by the Security Instrument, and that all recorded easements and other exceptions locatable on the ground are located as shown on the Survey, (i) insure that indefeasible or marketable (or the equivalent thereof pursuant to applicable law) (as coverage is available) fee simple title to the Land and Improvements is vested in Borrower, (j) contain such endorsements as Bank requires and are available under applicable title insurance rules and Borrower shall satisfy all requirements therefor, (k) insure any easements, leasehold estates or other matters appurtenant to or benefiting the Land and/or the Improvements as part of the insured estate and not show the same as exceptions, (l) provide the recording information for the UCC financing statement (if any) filed in the real estate records of the county where the Land is located, and (m) insure the zoning of, and the Right of access to, the Land to the extent authorized under applicable title insurance rules and Borrower shall satisfy all requirements therefor.

The conditions to Bank's obligation to make the Loan will not be satisfied if the Title Policy required by this Agreement is not, or cannot be, issued, whether caused by Borrower's failure to satisfy the underwriter's requirements or otherwise.

EXHIBIT C

TO

LOAN AGREEMENT

Insurance Requirements

Borrower shall maintain with responsible insurance companies having at least an A Policyholder's Rating and a Financial Size Rating of XII by Alfred M. Best Company (or another company approved by Bank) the following:

Hazard Insurance. Insurance with respect to all insurable Property against loss or damage by fire, lightning, windstorm, explosion, hail, tornado, collapse, riot, riot attending a strike, sprinkler leakage, civil commotion, damage from aircraft and vehicles, and smoke damage and loss or damage from such hazards as are presently included in so called "extended coverage" and against vandalism and malicious mischief and against such other insurable hazards as may be required by Bank for the benefit of Borrower and Bank as named insured and/or loss payees. The amount of such insurance shall be the full actual cash value of the buildings, improvements, furniture, furnishings, fixtures, equipment and other items (whether personalty or fixtures) included in the Property. Full actual cash value, as used herein, means (1) the cost to repair or replace the damaged property, minus depreciation; (2) the damaged property's "fair market value"; or (3) using the "broad evidence rule," which calls for considering all relevant evidence of the value of the damaged property. Each such policy shall contain an actual cash value endorsement and such other endorsements as are sufficient to prevent Borrower and Bank from becoming a coinsurer with respect to such buildings and improvements. Such insurance shall be "Basic Causes of Loss" form.

Builder's Risk. All-Risk Builder's Risk insurance (which may be provided by the Contractor during the alteration, if any, of the Improvements, although the responsibility to provide such insurance shall remain Borrower's responsibility) in an amount equal to 100% of the replacement cost of the Improvements, providing all-risk coverage on the Improvements and materials stored on the Property and elsewhere, and including collapse, damage resulting from error in design or faulty workmanship or materials, water damage, and permission to occupy, for the benefit of Borrower and Bank as named insured and/or loss payees.

Flood Insurance. If and to the extent any of the Property is located in a flood hazard area, a federal flood insurance policy in an amount equal to the lesser of the amount of the Loan or the maximum amount available.

Other. Such other insurance on the Property, or any replacements or substitutions thereof, or additions thereto, and in such amounts as may from time to time be required by Bank against other insurable hazards or casualties which at the time are commonly insured against in the case of premises similarly situated, due regard being given to the height and type of the buildings and improvements, or any replacements or substitutions therefor, or additions thereto, and their construction, location, use and occupancy. Bank may also require Borrower to maintain commercial general liability insurance for owners and contractors in amounts and form acceptable to Bank.

Contracts. With respect to any Contractor performing work in connection with the Improvements, such insurance as Bank shall reasonably require, including, but not limited to, Worker's Compensation Insurance for statutory limits.

All insurance policies shall be “*occurrence*” based policies, issued and maintained by insurers, in amounts, with deductibles, and in form satisfactory to Bank, shall require not less than thirty (30) days’ prior written notice to Bank of any cancellation lapse, expiration, reduction or other change of coverage, and shall provide, if possible, for payment of all costs and expenses incurred by Bank in the event of any contested claim. Without limiting the discretion of Bank with respect to required endorsements to insurance policies, all such policies for loss or damage to the Property shall contain a standard mortgagee clause (without contribution) naming Bank as mortgagee with loss proceeds payable to Bank. All such policies also shall provide that the validity and enforceability of such policies will not be affected by, and the proceeds of such policies will be payable to Bank notwithstanding any (i) act, failure to act, or negligence of the insured, (ii) any violation of any warranty, declaration or condition contained in any such policy by the insured, (iii) the occupancy or use of the Property for purposes more hazardous than permitted by the terms of the policy, (iv) the exercise of the power of sale or any foreclosure or other action or proceeding taken by Bank pursuant to the Loan Documents, or (v) any change in title to or ownership of the Property. In the case of policies of “*extended coverage*” insurance carried by a lessee of the Property for the benefit of Borrower, Borrower will upon request of Bank cause such policies to be endorsed to provide for payment of proceeds to Bank as its interests may appear.

EXHIBIT D

TO

LOAN AGREEMENT

List of Collateral and Lien Priority

Property	Lien Priority
Land & Facility located at 220 Oak Hill Road, Mountaintop, PA 18707.	First
All Personal Property and Equipment located at 220 Oak Hill Road, Mountaintop, PA 18707	First
Capital Improvements Reserve Account at MapleMark Bank	First

PROMISSORY NOTE

\$9,057,840

Effective Date: June 13, 2023

FOR VALUE RECEIVED, INNOVATIVE FOOD HOLDINGS, INC., a Florida corporation, and INNOVATIVE FOOD PROPERTIES, LLC, a Delaware limited liability company (collectively, the “Borrower”), having an address at 28411 Race Track Road, Bonita Springs, FL 34135, hereby promises to pay to the order of MAPLEMARK BANK (together with its successors and assigns and any subsequent holders of this Promissory Note, the “Lender”), as hereinafter provided, the principal sum of NINE MILLION FIFTY-SEVEN THOUSAND EIGHT HUNDRED AND FORTY DOLLARS (\$9,057,840), together with interest thereon at the Note Rate (as hereinafter defined), and otherwise in strict accordance with the terms and provisions hereof. This Promissory Note is a Note evidencing the Loan under the Loan Agreement.

**ARTICLE I
DEFINITIONS**

Section 1.1. Definitions. As used in this Promissory Note, the following terms shall have the following meanings:

Applicable Rate: The greater of (a) the Base Rate plus 1.25% per annum and (b) 4.50% per annum.

Base Rate: The rate of interest per annum quoted in the “Money Rates” section of The Wall Street Journal from time to time and designated as the “Prime Rate.” Without notice to the Borrower, such Base Rate shall change automatically from time to time, as and in the amount, by which such rate shall fluctuate as determined by Lender quarterly, with each such change to be effective as of the date of each change in such rate. The Base Rate is a reference rate and does not necessarily represent the lowest or best rate actually charged to any customer of Lender. If such Base Rate, as so quoted is split between two or more different interest rates, then the Base Rate shall be the highest of such interest rates. If such Base Rate shall cease to be published or is published infrequently or sporadically, then the Base Rate shall be the rate of interest per annum established from time to time by Lender and designated as its base or prime rate, which may not necessarily be the lowest interest rate charged by Lender and is set by Lender in its sole discretion.

Borrower: As identified in the introductory paragraph of this Note.

Business Day: A weekday, Monday through Friday, except a legal holiday or a day on which banking institutions in Dallas, Texas are authorized or required by law to be closed. Unless otherwise provided, the term “days” when used herein shall mean calendar days.

Charges: All fees, charges and/or any other things of value, if any, contracted for, charged, taken, received or reserved by Lender in connection with the transactions relating to this Note and the other Loan Documents, which are treated as interest under applicable law.

Debtor Relief Laws: Title 11 of the United States Code, as now or hereafter in effect, or any other applicable law, domestic or foreign, as now or hereafter in effect, relating to bankruptcy, insolvency, liquidation, receivership, reorganization, arrangement or composition, extension or adjustment of debts, or similar laws affecting the rights of creditors.

Default Rate: A rate per annum equal to the Note Rate plus five percent (5%), but in no event in excess of the Maximum Lawful Rate.

Event of Default: Any event or occurrence described under Section 3.1 hereof.

Lender: As identified in the introductory paragraph of this Note.

Loan Agreement: That certain Loan Agreement dated as of June 13, 2023, executed by Borrower and Lender, as may be amended, restated, supplemented or otherwise modified from time to time.

Loan Documents: As defined in the Loan Agreement.

Maturity Date: June 13, 2048.

Maximum Lawful Rate: The maximum lawful rate of interest which may be contracted for, charged, taken, received or reserved by Lender in accordance with the applicable laws of the State of Texas (or applicable United States federal law to the extent that such law permits Lender to contract for, charge, take, receive or reserve a greater amount of interest than under Texas law), taking into account all Charges made in connection with the transaction evidenced by this Note and the other Loan Documents.

Note: This Promissory Note as may be amended, restated, renewed, or extended from time to time.

Note Rate: The rate equal to the lesser of (a) the Maximum Lawful Rate and (b) the Applicable Rate.

Payment Date: The first day of each and every calendar month during the term of this Note.

Related Indebtedness: Any and all indebtedness paid or payable by Borrower to Lender pursuant to the Loan Documents or any other communication or writing by or between Borrower and Lender related to the transaction or transactions that are the subject matter of the Loan Documents, except such indebtedness which has been paid or is payable by Borrower to Lender under this Note.

Any capitalized term used in this Note and not otherwise defined herein shall have the meaning ascribed to each such term in the Loan Agreement. All terms used herein, whether or not defined in Section 1.1 hereof, and whether used in singular or plural form, shall be deemed to refer to the object of such term whether such is singular or plural in nature, as the context may suggest or require. All personal pronouns used herein, whether used in the masculine, feminine or neuter gender, shall include all other genders; the singular shall include the plural and vice versa. Definitions contained herein or in the other Loan Documents which identify documents, instruments or agreements shall be deemed to include all amendments, modifications and supplements to such documents, instruments or agreements and all future amendments, modifications, and supplements thereto entered into from time to time.

ARTICLE II PAYMENT TERMS

Section 2.1. Payment of Principal and Interest. Installments of principal and accrued interest each in the amount of \$80,025.01 shall be due and payable on each Payment Date, commencing July 1, 2023 and continuing on each Payment Date thereafter. The outstanding principal balance of this Note and any and all accrued but unpaid interest hereon shall be due and payable in full on the Maturity Date or upon the earlier maturity hereof, whether by acceleration or otherwise. No principal amount repaid may be reborrowed. The unpaid principal balance of this Note at any time shall be the total amount advanced hereunder by Lender less the amount of principal payments made hereon by or for Borrower, which balance may be endorsed hereon from time to time by Lender or otherwise noted in Lender's records, which notations shall be, absent manifest error, conclusive evidence of the amounts owing hereunder from time to time. If the Note Rate changes, Lender, at its sole option, may from time to time recalculate the periodic installment amount so that the remaining periodic installments will fully amortize the

remaining loan balance within the remaining amortization term in equal installments at the interest rate then being charged under this Note. BORROWER AGREES TO PAY THE PERIODIC INSTALLMENTS AS THEY MAY BE RECALCULATED BY LENDER, AT LENDER'S SOLE OPTION, FROM TIME TO TIME AND ACKNOWLEDGES THAT A RECALCULATION SHALL NOT AFFECT THE MATURITY DATE OR THE OTHER TERMS AND PROVISIONS OF THIS NOTE.

Section 2.2. Application. Except as expressly provided herein to the contrary, all payments on this Note shall be applied in the following order of priority: (i) the payment or reimbursement of any expenses, costs or obligations (other than the outstanding principal balance hereof and interest hereon) for which either Borrower shall be obligated or Lender shall be entitled pursuant to the provisions of this Note or the other Loan Documents, (ii) the payment of accrued but unpaid interest hereon, and (iii) the payment of all or any portion of the principal balance hereof then outstanding hereunder, in the direct order of maturity. If an Event of Default exists under this Note or under any of the other Loan Documents, then Lender may, at the sole option of Lender, apply any such payments, at any time and from time to time, to any of the items specified in clauses (i), (ii) or (iii) above without regard to the order of priority otherwise specified in this Section 2.2 and any application to the outstanding principal balance hereof may be made in either direct or inverse order of maturity.

Section 2.3. Payments. All payments under this Note made to Lender shall be made in immediately available funds at 4143 Maple Avenue, Suite 100, Dallas, Texas 75219 (or at such other place as Lender, in Lender's sole discretion, may have established by delivery of written notice thereof to Borrower from time to time), without offset, in lawful money of the United States of America, which shall at the time of payment be legal tender in payment of all debts and dues, public and private. Payments by check or draft shall not constitute payment in immediately available funds until the required amount is actually received by Lender in full. Payments in immediately available funds received by Lender in the place designated for payment on a Business Day prior to 3:00 p.m. Dallas, Texas time at said place of payment shall be credited prior to the close of business on the Business Day received, while payments received by Lender on a day other than a Business Day or after 3:00 p.m. Dallas, Texas time on a Business Day shall not be credited until the next succeeding Business Day. If any payment of principal or interest on this Note shall become due and payable on a day other than a Business Day, such payment shall be made on the next succeeding Business Day. Any such extension of time for payment shall be included in computing interest which has accrued and shall be payable in connection with such payment. Borrower has elected to authorize the Lender to effect payment of sums due under this Note by means of debiting the Borrower's account or accounts at Lender. This authorization shall not affect the obligation of the Borrower to pay such sums when due, without notice, if there are insufficient funds in such account or accounts to make such payment in full on the due date thereof, or if the Lender fails, or elects in its discretion not, to debit such account or accounts.

Section 2.4. Computation Period. Interest on the indebtedness evidenced by this Note shall be computed on the basis of a three hundred sixty (360) day year and shall accrue on the actual number of days elapsed for any whole or partial month in which interest is being calculated. In computing the number of days during which interest accrues, the day on which funds are initially advanced shall be included regardless of the time of day such advance is made, and the day on which funds are repaid shall be included unless repayment is credited prior to the close of business on the Business Day received as provided in Section 2.3 hereof.

Section 2.5. Prepayment. Borrower shall have the right to prepay, at any time and from time to time upon at least five (5) Business Days prior written notice to Lender, without, except as set forth herein, fee, premium or penalty, all or any portion of the outstanding principal balance hereof; provided, however, that such prepayment shall also include any and all accrued but unpaid interest on the amount of principal being so repaid through and including the date of prepayment, plus any other sums which have become due to Lender under the other Loan Documents on or before the date of prepayment, but which

have not been fully paid and the Yield Maintenance Fee. As used herein, the term “Yield Maintenance Fee” shall mean (a) for prepayments from the Closing Date to and including June 13, 2024, 5% of the outstanding principal amount thereof; (b) for prepayments after June 13, 2024 to and including June 13, 2025, 4% of the outstanding principal amount thereof; (c) for prepayments after June 13, 2025 to and including June 13, 2026, 3% of the outstanding principal amount thereof; (d) for prepayments after June 13, 2026 to and including June 13, 2027, 2% of the outstanding principal amount thereof; (e) for prepayments after June 13, 2027 to and including June 13, 2028, 1% of the outstanding principal amount thereof; and (f) for prepayments after June 13, 2028, 0% of the outstanding principal amount thereof. Borrower agrees that all fees and other prepaid finance charges are fair and reasonable and are earned fully when due and are not subject to refund upon early payment (whether voluntarily or involuntarily), except as otherwise required by law. Prepayments of principal shall be applied in inverse order of maturity. If at any time, the principal amount hereof exceeds the principal amount stated above, Borrower shall immediately make a payment to Lender in an amount of not less than such excess.

Section 2.6. Unconditional Payment. Borrower is and shall be obligated to pay all principal, interest and any and all other amounts which become payable under this Note or under any of the other Loan Documents absolutely and unconditionally and without any abatement, postponement, diminution or deduction whatsoever and without any reduction for counterclaim or setoff whatsoever. If at any time any payment received by Lender hereunder shall be deemed by a court of competent jurisdiction to have been a voidable preference or fraudulent conveyance under any Debtor Relief Law, then the obligation to make such payment shall survive any cancellation or satisfaction of this Note or return thereof to Borrower and shall not be discharged or satisfied with any prior payment thereof or cancellation of this Note, but shall remain a valid and binding obligation enforceable in accordance with the terms and provisions hereof, and such payment shall be immediately due and payable upon demand.

Section 2.7. Partial or Incomplete Payments. Remittances in payment of any part of this Note other than in the required amount in immediately available funds at the place where this Note is payable shall not, regardless of any receipt or credit issued therefor, constitute payment until the required amount is actually received by Lender in full in accordance herewith and shall be made and accepted subject to the condition that any check or draft may be handled for collection in accordance with the practice of the collecting bank or banks. Acceptance by Lender of any payment in an amount less than the full amount then due shall be deemed an acceptance on account only, and the failure to pay the entire amount then due shall be and continue to be an Event of Default in the payment of this Note.

Section 2.8. Default Rate, etc. For so long as any Event of Default exists under this Note or under any of the other Loan Documents, regardless of whether or not there has been an acceleration of the indebtedness evidenced by this Note, and at all times after the maturity of the indebtedness evidenced by this Note (whether by acceleration or otherwise), and in addition to all other rights and remedies of Lender hereunder, interest shall accrue on the outstanding principal balance hereof at the Default Rate, and such accrued interest shall be immediately due and payable. At the option of Lender, Borrower will pay Lender, on demand, (i) a “late charge” equal to five percent (5%) of the amount of any installment on this Note when such installment is not paid within ten (10) days following the date such installment is due and (ii) a processing fee in the amount of \$25.00 for each check which is provided to Lender by Borrower in payment for an obligation owing to Lender under any Loan Document but is returned or dishonored for any reason, in order to cover the additional expenses involved in handling delinquent and returned or dishonored payments. Borrower acknowledges that it would be extremely difficult or impracticable to determine Lender’s actual damages resulting from any late payment or Event of Default, and such late charges and accrued interest are reasonable estimates of those damages and do not constitute a penalty.

**ARTICLE III
EVENT OF DEFAULT AND REMEDIES**

Section 3.1. Event of Default. The occurrence or happening, at any time and from time to time, of any one or more of the following shall constitute an “Event of Default” under this Note:

(a) Borrower shall fail, refuse or neglect to pay and satisfy, in full and in the applicable method and manner required, any required payment of principal or interest or any other portion of the indebtedness evidenced by this Note on the date when the same shall become due and payable, whether at the stipulated due date thereof, at a date fixed for payment, or at maturity, by acceleration or otherwise; or

(b) Subject to any applicable notice, cure and/or grace periods, the occurrence of any other Default, breach or Event of Default as defined in or under this Note, the Loan Agreement or any other Loan Document that remains uncured under and pursuant to the provisions of this Note, the Loan Agreement or any other Loan Document.

Section 3.2. Remedies. Upon the occurrence of an Event of Default, Lender shall have the immediate right, at the sole discretion of Lender and without notice, demand, presentment, notice of nonpayment or nonperformance, protest, notice of protest, notice of intent to accelerate, notice of acceleration, or any other notice or any other action (**ALL OF WHICH BORROWER HEREBY EXPRESSLY WAIVES AND RELINQUISHES**) (i) to declare the entire unpaid balance of the indebtedness evidenced by this Note (including, without limitation, the outstanding principal balance hereof, including all sums advanced or accrued hereunder or under any other Loan Document, and all accrued but unpaid interest thereon) at once immediately due and payable (and upon such declaration, the same shall be at once immediately due and payable) and may be collected forthwith, whether or not there has been a prior demand for payment and regardless of the stipulated date of maturity, (ii) to foreclose any liens and security interests securing payment hereof or thereof (including, without limitation, any liens and security interests), and (iii) to exercise any of Lender’s other rights, powers, recourses and remedies under this Note, under any other Loan Document, or at law or in equity, and the same (w) shall be cumulative and concurrent, (x) may be pursued separately, singly, successively, or concurrently against Borrower or others obligated for the repayment of this Note or any part hereof, or against any one or more of them, or against the Property at the sole discretion of Lender, (y) may be exercised as often as occasion therefor shall arise, it being agreed by Borrower that the exercise, discontinuance of the exercise of or failure to exercise any of the same shall in no event be construed as a waiver or release thereof or of any other right, remedy, or recourse, and (z) are intended to be, and shall be, nonexclusive. All rights and remedies of Lender hereunder and under the other Loan Documents shall extend to any period after the initiation of foreclosure proceedings, judicial or otherwise. Without limiting the provisions of Section 4.17 hereof, if this Note, or any part hereof, is collected by or through an attorney-at-law, Borrower agrees to pay all costs and expenses of collection, including, but not limited to, Lender’s reasonable attorneys’ fees, whether or not any legal action shall be instituted to enforce this Note. This Note is also subject to acceleration as provided in the Loan Agreement.

**ARTICLE IV
GENERAL PROVISIONS**

Section 4.1. No Waiver; Amendment. No failure to accelerate the indebtedness evidenced by this Note by reason of an Event of Default hereunder, acceptance of a partial or past due payment, or indulgences granted from time to time shall be construed (i) as a novation of this Note or as a reinstatement of the indebtedness evidenced by this Note or as a waiver of such right of acceleration or of the right of Lender thereafter to insist upon strict compliance with the terms of this Note, or (ii) to prevent the exercise of such right of acceleration or any other right granted under this Note, under any of the other Loan Documents or by any applicable laws. Borrower hereby expressly waives and relinquishes the

benefit of any statute or rule of law or equity now provided, or which may hereafter be provided, which would produce a result contrary to or in conflict with the foregoing. The failure to exercise any remedy available to Lender shall not be deemed to be a waiver of any rights or remedies of Lender under this Note or under any of the other Loan Documents, or at law or in equity. No extension of the time for the payment of this Note or any installment due hereunder, made by agreement with any person now or hereafter liable for the payment of this Note, shall operate to release, discharge, modify, change or affect the original liability of Borrower under this Note, either in whole or in part, unless Lender specifically, unequivocally and expressly agrees otherwise in writing. This Note may not be changed orally, but only by an agreement in writing signed by the party against whom enforcement of any waiver, change, or modification is sought.

Section 4.2. Waivers. EXCEPT AS SPECIFICALLY PROVIDED IN THE LOAN DOCUMENTS TO THE CONTRARY, BORROWER AND ANY ENDORSERS OR GUARANTORS HEREOF SEVERALLY WAIVE AND RELINQUISH PRESENTMENT FOR PAYMENT, DEMAND, NOTICE OF NONPAYMENT OR NONPERFORMANCE, PROTEST, NOTICE OF PROTEST, NOTICE OF INTENT TO ACCELERATE, NOTICE OF ACCELERATION OR ANY OTHER NOTICES OR ANY OTHER ACTION. BORROWER AND ANY ENDORSERS OR GUARANTORS HEREOF SEVERALLY WAIVE AND RELINQUISH, TO THE FULLEST EXTENT PERMITTED BY LAW, ALL RIGHTS TO THE BENEFITS OF ANY MORATORIUM, REINSTATEMENT, MARSHALING, FORBEARANCE, VALUATION, STAY, EXTENSION, REDEMPTION, APPRAISEMENT, EXEMPTION AND HOMESTEAD NOW OR HEREAFTER PROVIDED BY THE CONSTITUTION AND LAWS OF THE UNITED STATES OF AMERICA AND OF EACH STATE THEREOF, BOTH AS TO ITSELF AND IN AND TO ALL OF ITS PROPERTY, REAL AND PERSONAL, AGAINST THE ENFORCEMENT AND COLLECTION OF THE OBLIGATIONS EVIDENCED BY THIS NOTE OR BY THE OTHER LOAN DOCUMENTS.

Section 4.3. Interest Provisions.

(a) Savings Clause. It is expressly stipulated and agreed to be the intent of Borrower and Lender at all times to comply strictly with the applicable Texas law governing the maximum rate or amount of interest payable on the indebtedness evidenced by this Note and the Related Indebtedness (or applicable United States federal law to the extent that it permits Lender to contract for, charge, take, reserve or receive a greater amount of interest than under Texas law). If the applicable law is ever judicially interpreted so as to render usurious any amount (i) contracted for, charged, taken, reserved or received pursuant to this Note, any of the other Loan Documents or any other communication or writing by or between Borrower and Lender related to the transaction or transactions that are the subject matter of the Loan Documents, (ii) contracted for, charged, taken, reserved or received by reason of Lender's exercise of the option to accelerate the maturity of this Note and/or the Related Indebtedness, or (iii) Borrower will have paid or Lender will have received by reason of any voluntary prepayment by Borrower of this Note and/or the Related Indebtedness, then it is Borrower's and Lender's express intent that all amounts charged in excess of the Maximum Lawful Rate shall be automatically canceled, *ab initio*, and all amounts in excess of the Maximum Lawful Rate theretofore collected by Lender shall be credited on the principal balance of this Note and/or the Related Indebtedness (or, if this Note and all Related Indebtedness have been or would thereby be paid in full, refunded to Borrower), and the provisions of this Note and the other Loan Documents shall immediately be deemed reformed and the amounts thereafter collectible hereunder and thereunder reduced, without the necessity of the execution of any new document, so as to comply with the applicable law, but so as to permit the recovery of the fullest amount otherwise called for hereunder and thereunder; provided, however, if this Note has been paid in full before the end of the stated term of this Note, then Borrower and Lender agree that Lender shall, with reasonable promptness after Lender discovers or is advised by Borrower that interest was received in an amount in excess of the Maximum Lawful Rate, either refund such excess interest to Borrower and/or credit such

excess interest against this Note and/or any Related Indebtedness then owing by Borrower to Lender. Borrower hereby agrees that as a condition precedent to any claim seeking usury penalties against Lender, Borrower will provide written notice to Lender, advising Lender in reasonable detail of the nature and amount of the violation, and Lender shall have sixty (60) days after receipt of such notice in which to correct such usury violation, if any, by either refunding such excess interest to Borrower or crediting such excess interest against this Note and/or the Related Indebtedness then owing by Borrower to Lender. All sums contracted for, charged, taken, reserved or received by Lender for the use, forbearance or detention of any debt evidenced by this Note and/or the Related Indebtedness shall, to the extent permitted by applicable law, be amortized or spread, using the actuarial method, throughout the stated term of this Note and/or the Related Indebtedness (including any and all renewal and extension periods) until payment in full so that the rate or amount of interest on account of this Note and/or the Related Indebtedness does not exceed the Maximum Lawful Rate from time to time in effect and applicable to this Note and/or the Related Indebtedness for so long as debt is outstanding. In no event shall the provisions of Chapter 346 of the Texas Finance Code (which regulates certain revolving credit loan accounts and revolving triparty accounts) apply to this Note and/or any of the Related Indebtedness. Notwithstanding anything to the contrary contained herein or in any of the other Loan Documents, it is not the intention of Lender to accelerate the maturity of any interest that has not accrued at the time of such acceleration or to collect unearned interest at the time of such acceleration.

(b) Ceiling Election. To the extent that Lender is relying on Chapter 303 of the Texas Finance Code to determine the Maximum Lawful Rate payable on the Note and/or any other portion of the Indebtedness, Lender will utilize the weekly ceiling from time to time in effect as provided in such Chapter 303, as amended. To the extent United States federal law permits Lender to contract for, charge, take, receive or reserve a greater amount of interest than under Texas law, Lender will rely on United States federal law instead of such Chapter 303 for the purpose of determining the Maximum Lawful Rate. Additionally, to the extent permitted by applicable law now or hereafter in effect, Lender may, at its option and from time to time, utilize any other method of establishing the Maximum Lawful Rate under such Chapter 303 or under other applicable law by giving notice, if required, to Borrower as provided by applicable law now or hereafter in effect.

Section 4.4. Use of Funds. Borrower hereby warrants, represents and covenants that (i) the loan evidenced by this Note is made to Borrower solely for the purpose of acquiring or carrying on a business or commercial enterprise, (ii) all proceeds of this Note shall be used only for business and commercial purposes, and (iii) no funds disbursed hereunder shall be used for personal, family, agricultural or household purposes.

Section 4.5. Further Assurances and Corrections. From time to time, at the written request of Lender, Borrower will (i) promptly correct any defect, error or omission which may be discovered in the contents of this Note or in any other Loan Document or in the execution or acknowledgment thereof; (ii) execute, acknowledge, deliver, record and/or file (or cause to be executed, acknowledged, delivered, recorded and/or filed) such further documents and instruments (including, without limitation, further deeds of trust, security agreements, financing statements, continuation statements and assignments of rents) and perform such further acts and provide such further assurances as may be necessary, desirable, or proper, in Lender's opinion, (A) to carry out more effectively the purposes of this Note and the Loan Documents and the transactions contemplated hereunder and thereunder, (B) to confirm the rights created under this Note and the other Loan Documents, (C) to protect and further the validity, priority and enforceability of this Note and the other Loan Documents and the liens and security interests created thereby, and (D) to subject to the Loan Documents any property of Borrower intended by the terms of any one or more of the Loan Documents to be encumbered by the Loan Documents; and (iii) pay all costs in connection with any of the foregoing.

Section 4.6. Waiver of Jury Trial. BORROWER, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, HEREBY KNOWINGLY, INTENTIONALLY, IRREVOCABLY, UNCONDITIONALLY AND VOLUNTARILY, WITH AND UPON THE ADVICE OF COMPETENT COUNSEL, WAIVES, RELINQUISHES AND FOREVER FORGOES THE RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING BASED UPON, ARISING OUT OF, OR IN ANY WAY RELATING TO THIS NOTE OR ANY CONDUCT, ACT OR OMISSION OF LENDER OR BORROWER, OR ANY OF THEIR DIRECTORS, OFFICERS, PARTNERS, MEMBERS, EMPLOYEES, AGENTS OR ATTORNEYS, OR ANY OTHER PERSONS AFFILIATED WITH LENDER OR BORROWER, IN EACH OF THE FOREGOING CASES, WHETHER SOUNDING IN CONTRACT, TORT OR OTHERWISE.

Section 4.7. Governing Law; Submission to Jurisdiction. This Note is executed and delivered as an incident to a lending transaction negotiated and consummated in Dallas County, Texas, and shall be governed by and construed in accordance with the laws of the State of Texas. Borrower, for itself and its successors and assigns, hereby irrevocably (i) submits to the nonexclusive jurisdiction of the state and federal courts in Texas, (ii) waives, to the fullest extent permitted by law, any objection that it may now or in the future have to the laying of venue of any litigation arising out of or in connection with this Note or any Loan Document brought in Dallas County, Texas, (iii) waives any objection it may now or hereafter have as to the venue of any such action or proceeding brought in such court or that such court is an inconvenient forum, and (iv) agrees that any legal proceeding against any party to any of the Loan Documents arising out of or in connection with any of the Loan Documents may be brought in one of the foregoing courts. Borrower hereby agrees that service of process upon Borrower may be made by certified or registered mail, return receipt requested, at its address specified herein. Nothing herein shall affect the right of Lender to serve process in any other manner permitted by law or shall limit the right of Lender to bring any action or proceeding against Borrower or with respect to any of Borrower's property in courts in other jurisdictions. The scope of each of the foregoing waivers is intended to be all encompassing of any and all disputes that may be filed in any court and that relate to the subject matter of this transaction, including, without limitation, contract claims, tort claims, breach of duty claims, and all other common law and statutory claims. Borrower acknowledges that these waivers are a material inducement to Lender's agreement to enter into the agreements and obligations evidenced by the Loan Documents, that Lender has already relied on these waivers and will continue to rely on each of these waivers in related future dealings. The waivers in this Section 4.7 are irrevocable, meaning that they may not be modified either orally or in writing, and these waivers apply to any future renewals, extensions, amendments, modifications, or replacements in respect of any and all of the applicable Loan Documents. In connection with any litigation, this Note may be filed as a written consent to a trial by the court.

Section 4.8. Counting of Days. If any time period referenced hereunder ends on a day other than a Business Day, such time period shall be deemed to end on the next succeeding Business Day.

Section 4.9. Relationship of the Parties. Notwithstanding any prior business or personal relationship between Borrower and Lender, or any officer, director or employee of Lender, that may exist or have existed, the relationship between Borrower and Lender is solely that of debtor and creditor, Lender has no fiduciary or other special relationship with Borrower, Borrower and Lender are not partners or joint venturers, and no term or condition of any of the Loan Documents shall be construed so as to deem the relationship between Borrower and Lender to be other than that of debtor and creditor.

Section 4.10. Successors and Assigns. The terms and provisions hereof shall be binding upon and inure to the benefit of Borrower and Lender and their respective heirs, executors, legal representatives, successors, successors-in-title and assigns, whether by voluntary action of the parties, by operation of law or otherwise, and all other persons claiming by, through or under them. The terms "Borrower" and "Lender" as used hereunder shall be deemed to include their respective heirs, executors, legal representatives, successors, successors-in-title and assigns, whether by voluntary action of the parties, by operation of law or otherwise, and all other persons claiming by, through or under them.

Section 4.11. Time is of the Essence. Time is of the essence with respect to all provisions of this Note and the other Loan Documents.

Section 4.12. Headings. The Article, Section, and Subsection entitlements hereof are inserted for convenience of reference only and shall in no way alter, modify, define, limit, amplify or be used in construing the text, scope or intent of such Articles, Sections, or Subsections or any provisions hereof.

Section 4.13. Controlling Agreement. In the event of any conflict between the provisions of this Note and the Loan Agreement, it is the intent of the parties hereto that the provisions of the Loan Agreement shall control. In the event of any conflict between the provisions of this Note and any of the other Loan Documents (other than the Loan Agreement), it is the intent of the parties hereto that the provisions of this Note shall control. The parties hereto acknowledge that they were represented by competent counsel in connection with the negotiation, drafting and execution of this Note and the other Loan Documents and that this Note and the other Loan Documents shall not be subject to the principle of construing their meaning against the party which drafted same.

Section 4.14. Notices. All notices or other communications required or permitted to be given pursuant to this Note shall be in writing and shall be considered as properly given if given in accordance with the terms of the Loan Agreement.

Section 4.15. Severability. If any provision of this Note or the application thereof to any person or circumstance shall, for any reason and to any extent, be invalid or unenforceable, then neither the remainder of this Note nor the application of such provision to other persons or circumstances nor the other instruments referred to herein shall be affected thereby, but rather shall be enforced to the greatest extent permitted by applicable law.

Section 4.16. Right of Setoff. In addition to all liens upon and rights of setoff against the money, securities, or other property of Borrower given to Lender that may exist under applicable law, Lender shall have and Borrower hereby grants to Lender a lien upon and a right of setoff against all money, securities, and other property of Borrower, now or hereafter in possession of or on deposit with Lender, whether held in a general or special account or deposit, for safe-keeping or otherwise, and every such lien and right of setoff may be exercised without demand upon or notice to Borrower. No lien or right of setoff shall be deemed to have been waived by any act or conduct on the part of Lender, or by any neglect to exercise such right of setoff or to enforce such lien, or by any delay in so doing, and every right of setoff and lien shall continue in full force and effect until such right of setoff or lien is specifically waived or released by an instrument in writing executed by Lender.

Section 4.17. Costs of Collection. If any holder of this Note retains an attorney-at-law in connection with any Event of Default or at maturity or to collect, enforce or defend this Note or any part hereof, or any other Loan Document in any lawsuit or in any probate, reorganization, bankruptcy or other proceeding, or if Borrower sues any holder in connection with this Note or any other Loan Document and does not prevail, then Borrower agrees to pay to each such holder, in addition to the principal balance hereof and all interest hereon, all costs and expenses of collection or incurred by such holder or in any such suit or proceeding, including, but not limited to, reasonable attorneys' fees.

Section 4.18. Statement of Unpaid Balance. At any time and from time to time, Borrower will furnish promptly, upon the request of Lender, a written statement or affidavit, in form satisfactory to Lender, stating the unpaid balance of the indebtedness evidenced by this Note and the Related Indebtedness and that there are no offsets or defenses against full payment of the indebtedness evidenced by this Note and the Related Indebtedness and the terms hereof, or if there are any such offsets or defenses, specifying them.

Section 4.19. Entire Agreement. THIS NOTE AND THE OTHER LOAN DOCUMENTS CONTAIN THE FINAL, ENTIRE AGREEMENT BETWEEN THE PARTIES HERETO RELATING TO THE SUBJECT MATTER HEREOF AND THEREOF AND ALL PRIOR AGREEMENTS, WHETHER WRITTEN OR ORAL, RELATIVE HERETO AND THERETO WHICH ARE NOT CONTAINED HEREIN OR THEREIN ARE SUPERSEDED AND TERMINATED HEREBY, AND THIS NOTE AND THE OTHER LOAN DOCUMENTS MAY NOT BE CONTRADICTED OR VARIED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS OR DISCUSSIONS OF THE PARTIES HERETO. THERE ARE NO UNWRITTEN ORAL AGREEMENTS AMONG THE PARTIES HERETO.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, Borrower, intending to be legally bound hereby, has duly executed this Note as of the day and year first written above.

BORROWER:

INNOVATIVE FOOD HOLDINGS, INC.,
a Florida corporation

By: /s/ Richard Tang
Richard Tang, Chief Financial Officer

INNOVATIVE FOOD PROPERTIES, LLC,
a Delaware limited liability company

By INNOVATIVE FOOD HOLDINGS, INC.,
a Florida corporation,
its sole member

By: /s/ Richard Tang
Richard Tang, Chief Financial Officer

PLEDGE AND SECURITY AGREEMENT

THIS PLEDGE AND SECURITY AGREEMENT is entered into as of June 13, 2023 by and among INNOVATIVE FOOD HOLDINGS, INC., a Florida corporation ("IVFH"), and INNOVATIVE FOOD PROPERTIES, LLC, a Delaware limited liability company ("IVFP" and, collectively with IVFH, the "Borrower"), each of the parties set forth on the signature pages hereof (together with the Borrower, each a "Grantor" and, collectively, the "Grantors"), and MAPLEMARK BANK (together with its successors and assigns, the "Lender") on behalf of itself and its Affiliates ("Secured Party").

RECITAL

Borrower and Lender are entering into a Loan Agreement dated of even date herewith (as it may be amended, restated, supplemented or otherwise modified from time to time, the "Loan Agreement"). Each Grantor is entering into this Pledge and Security Agreement (as it may be amended, restated, supplemented or otherwise modified from time to time, this "Security Agreement") in order to, among other things, induce Lender to enter into and extend credit to Borrower under the Loan Agreement.

AGREEMENT

ACCORDINGLY, Debtor and Secured Party hereby agree as follows:

**ARTICLE I
DEFINITIONS**

1.1 Terms Defined in Loan Agreement. All capitalized terms used herein and not otherwise defined shall have the meanings assigned to such terms in the Loan Agreement.

1.2 Terms Defined in Texas Uniform Commercial Code. Terms defined in the UCC which are not otherwise defined in this Security Agreement are used herein as defined in the UCC as in effect on the date hereof.

1.3 Definitions of Certain Terms Used Herein. As used in this Security Agreement, in addition to the terms defined in the Preliminary Statement, the following terms shall have the following meanings:

"Accounts" mean any "account," as such term is defined in Chapter 9 of the UCC, now owned or hereafter acquired by Debtor, and, in any event, shall include, without limitation, each of the following, whether now owned or hereafter acquired by Debtor: (a) all rights of Debtor to payment for goods sold or leased or services rendered or the license of Intellectual Property, whether or not earned by performance, (b) all accounts receivable of Debtor, (c) all rights of Debtor to receive any payment of money or other form of consideration, (d) all security pledged, assigned, or granted to or held by Debtor to secure any of the foregoing, (e) all guaranties of, or indemnifications with respect to, any of the foregoing, (f) all Chattel Paper, (g) all Instruments, and (h) all rights of Debtor as unpaid sellers of goods or services, including, but not limited to, all rights of stoppage in transit, replevin, reclamation, and resale.

"Account Debtor" means any Person who is or who may become obligated to Debtor under, with respect to, or on account of an Account.

"Article" means a numbered article of this Security Agreement, unless another document is specifically referenced.

“Books and Records” means any and all presently existing and hereafter acquired or created books and records of Debtor respecting Debtor’s business, including, without limitation all records (including maintenance and warranty records), ledgers, computer programs, software, disc or tape files, printouts, runs, and other computer prepared information indicating, summarizing, or evidencing the Collateral or that is otherwise used to access and process the Collateral.

“Chattel Paper” means any “chattel paper”, as such term is defined in Chapter 9 of the UCC, now owned or hereafter acquired by Debtor and, in any event, shall include, without limitation, all Electronic Chattel Paper, Tangible Chattel Paper and all records that evidence both a monetary obligation and a security interest in specific goods, a security interest in specific goods and software used in the goods, or a lease of specific goods, now owned or hereafter acquired by Debtor.

“Collateral” means all Accounts, Books and Records, Chattel Paper, Commercial Tort Claims, Deposit Accounts (including all funds, certificates, checks, drafts, wire transfers, receipts and other earnings, profits, or other proceeds from time to time representing, evidencing, deposited into or held in Deposit Accounts), Documents, Equipment, Financial Assets, Fixtures, General Intangibles, Instruments, Intellectual Property, Inventory, Investment Property, Letter of Credit Rights, Marks, Pledged Equity, Stock Rights, and all other personal property, wherever located, in which Debtor now has or hereafter acquires any right or interest, and the Proceeds, insurance proceeds and products thereof, and any accessories thereto, substitutions therefor and replacements thereof, together with all books and records, customer lists, credit files, computer files, programs, printouts and other computer materials and records related thereto. With respect to Intellectual Property, Collateral further includes all applications and registrations related thereto and any reissues, renewals, continuations, continuations-in-part, divisions, substitutions or extensions thereof, all goodwill associated with and symbolized by any of the foregoing, all income, royalties, profits, damages, awards, and payments relating to or payable under any of the foregoing, the right to sue for past, present, and future infringements, dilution or breach of any of the foregoing, and all other rights and benefits relating to any of the foregoing throughout the world; in each case, whether now owned or hereafter acquired or whether now known or subsequently developed, by or for Debtor.

“Commercial Tort Claims” means any “commercial tort claim”, as such term is defined in Chapter 9 of the UCC, now owned or hereafter acquired by Debtor and in any event, shall include, without limitation, any claim now owned or hereafter acquired by Debtor, arising in tort with respect to which: (a) the claimant is an organization; or (b) the claimant is an individual and the claim (i) arose in the course of the claimant’s business or profession and (ii) does not include damages arising out of personal injury to or the death of an individual.

“Control” shall have the meaning set forth in Section 9.104, 9.105, 9.106 or 9.107 of the UCC, as applicable.

“Debtor” means, collectively, the Grantors, and each their respective successors and assigns.

“Deposit Accounts” means any “deposit account”, as such term is defined in Chapter 9 of the UCC, now owned or hereafter acquired by Debtor and in any event, shall include, without limitation, any and all deposit accounts or other bank accounts now owned or hereafter acquired or opened by Debtor, and any account which is a replacement or substitute for any of such accounts, including, without limitation, those deposit accounts identified on Exhibit A.

“Documents” means any “document”, as such term is defined in Chapter 9 of the UCC, now owned or hereafter acquired by Debtor, including without limitation all bills of lading, dock warrants, dock receipts, warehouse receipts and orders for the delivery of goods, and also any other document

which in the regular course of business or financing is treated as adequately evidencing that the person in possession of it is entitled to receive, hold and dispose of the document and the goods it covers.

“Electronic Chattel Paper” means any “electronic chattel paper”, as such term is defined in Chapter 9 of the UCC, now owned or hereafter acquired by Debtor.

“Equipment” means any “equipment”, as such term is defined in Chapter 9 of the UCC, now owned or hereafter acquired by Debtor and, in any event, shall include, without limitation, all machinery, equipment, furnishings, Fixtures and vehicles now owned or hereafter acquired by Debtor and any and all additions, substitutions, and replacements of any of the foregoing, wherever located, together with all attachments, components, parts, equipment, and accessories installed thereon or affixed thereto.

“Exhibit” refers to a specific exhibit to this Security Agreement, unless another document is specifically referenced.

“Financial Assets” means any “financial asset”, as such term is defined in Chapter 8 of the UCC, now owned or hereafter acquired by Debtor.

“Fixtures” means all goods, now owned or hereafter acquired by Debtor, which become so related to particular real estate that an interest in such goods arises under any real estate law applicable thereto, including, without limitation, all trade fixtures.

“General Intangibles” means any “general intangibles”, as such term is defined in Chapter 9 of the UCC, now owned or hereafter acquired by Debtor and, in any event, shall include, without limitation, each of the following, whether now owned or hereafter acquired by Debtor: (a) all of Debtor’s trade secrets, Intellectual Property, registrations, renewal rights, goodwill franchises, licenses, permits, proprietary information, customer lists, designs, and inventions, (b) all of Debtor’s books, records, data, plans, manuals, computer software, and computer programs, (c) all of Debtor’s contract rights, partnership interests, joint venture interests, securities, deposit accounts, investment accounts, certificates of deposit, and investment property, (d) all rights of Debtor to payment under letters of credit and similar agreements, (e) all tax refunds and tax refund claims of Debtor, (f) all choses in action and causes of action of Debtor (whether arising in contract, tort, or otherwise and whether or not currently in litigation) and all judgments in favor of Debtor, (g) all rights and claims of Debtor under warranties and indemnities, and (h) all rights of Debtor under any insurance, surety, or similar contract or arrangement. General Intangibles include payment intangibles.

“Instrument” means any “instrument”, as such term is defined in Chapter 9 of the UCC, now owned or hereafter acquired by Debtor, other than stock and other securities, and in any event, shall include, without limitation, all promissory notes, drafts, bills of exchange and trade acceptances of Debtor, whether now owned or hereafter acquired.

“Intellectual Property” means all domestic and foreign (a) internet domains and URLs; (b) trademarks, trademark registrations, trademark applications, service marks, service mark registrations, service mark applications, business marks, brand names, trade names, trade dress, names, logos and slogans; (c) patents, patent rights, provisional patent applications, patent applications, designs, registered designs, registered design applications, industrial designs, industrial design applications, industrial design registrations and inventors’ certificates, including any and all divisions, continuations, continuations-in-part, extensions, substitutions, renewals, registrations, revalidations, re-examinations, reissues or additions, including supplementary certificates of protection, of or to any of the foregoing items; (d) copyrights (whether or not registered and including all derivative works, moral rights, renewals, extensions, reversions and restorations associated with such copyrights, now or hereafter provided by

applicable law), copyright registrations, copyright applications, copyright renewals, original works of authorship fixed in any tangible medium of expression or fixation, including literary works (including all forms and types of computer software, including all source code, object code, firmware, development tools, files, records and data, and all documentation related to any of the foregoing), musical, dramatic, pictorial, graphic and sculptured works; (e) trade secrets, technology, discoveries and improvements, know-how, proprietary rights, formulae, confidential and proprietary information, research and development information, technical or other data or information, techniques, customer and vendor lists, unpatented inventions, designs, drawings, procedures, processes, models, materials, methods, developments, formulations, manuals and systems, whether or not patentable or copyrightable and whether or not such has actual or potential commercial value and are not available in the public domain; and (f) all other intellectual property or proprietary rights, in each case whether or not subject to statutory registration or protection and whether now owned or hereafter acquired by Debtor.

“Inventory” means any “inventory”, as such term is defined in Chapter 9 of the UCC, now owned or hereafter acquired by Debtor, and, in any event, shall include, without limitation, each of the following, whether now owned or hereafter acquired by Debtor: (a) all goods and other personal property of Debtor that are held for sale or lease or to be furnished under any contract of service, (b) all raw materials, work-in-process, finished goods, inventory, supplies, and materials of Debtor, (c) all wrapping, packaging, advertising, and shipping materials of Debtor, (d) all goods that have been returned to, repossessed by, or stopped in transit by Debtor, and (e) all Documents evidencing any of the foregoing.

“Investment Property” means any “investment property”, as such term is defined in Chapter 9 of the UCC, now owned or hereafter acquired by Debtor, and, in any event, shall include, without limitation, each of the following, whether now owned or hereafter acquired by Debtor: (a) any security, whether certificated or uncertificated; (b) any security entitlement; (c) any securities account (including, without limitation, those described on Exhibit C); (d) any commodity contract; and (e) any commodity account (including, without limitation, those identified on Exhibit C).

“Letter-of-Credit Right” means any “letter-of-credit right”, as such term is defined in Chapter 9 of the UCC, now owned or hereafter acquired by Debtor, and in any event, shall include, without limitation, any right to payment or performance under a letter of credit, whether or not the beneficiary has demanded or is at the time entitled to demand payment or performance (but shall not include any right of a beneficiary to demand payment or performance under a letter of credit), now owned or hereafter acquired by Debtor.

“Marks” means all registered and unregistered trademarks, service marks, domain names and trade names now or hereafter used by Debtor.

“Obligations” means, collectively, the Indebtedness and Obligations as defined in the Loan Agreement.

“Pledged Equity” means 100% of the issued and outstanding Equity Interests in each Subsidiary, in each case, together with the certificates (or other agreements or instruments), if any, representing such Equity Interests, and all options and other rights, contractual or otherwise, with respect thereto, including, but not limited to, the following: (a) all Equity Interests representing a non-cash dividend thereon, or representing a distribution or return of capital upon or in respect thereof, or resulting from a stock split, revision, reclassification or other exchange therefor, and any subscriptions, warrants, rights or options issued to the holder thereof, or otherwise in respect thereof; and (b) in the event of any consolidation or merger involving the issuer thereof and in which such issuer is not the surviving Person, all shares of each class of the Equity Interests of the successor Person formed by or resulting from such consolidation or merger, to the extent that such successor Person is a direct Subsidiary of Debtor.

“Proceeds” means any “proceeds,” as such term is defined in Chapter 9 of the UCC and, in any event, shall include, but not be limited to, (a) any and all proceeds of any insurance, indemnity, warranty, or guaranty payable to Debtor from time to time with respect to any of the Collateral, (b) any and all payments (in any form whatsoever) made or due and payable to Debtor from time to time in connection with any requisition, confiscation, condemnation, seizure, or forfeiture of all or any part of the Collateral by any Governmental Authority (or any person acting under color of Governmental Authority), and (c) any and all other amounts from time to time paid or payable under or in connection with any of the Collateral.

“Receivables” means the Accounts, Chattel Paper, Documents, Investment Property, Instruments, or Commercial Tort Claims, and any other rights or claims to receive money which are General Intangibles or which are otherwise included as Collateral.

“Section” means a numbered Section of this Security Agreement, unless another document is specifically referenced.

“Secured Obligations” means the Obligations, whether or not (a) such Obligations arise or accrue before or after the filing by or against any Debtor of a petition under the Bankruptcy Code, or any similar filing by or against any Debtor under the laws of any jurisdiction, or any bankruptcy, insolvency, receivership or other similar proceeding, (b) such Obligations are allowable under Section 502(b)(2) of the Bankruptcy Code or under any other insolvency proceedings, (c) the right of payment in respect of such Obligations is reduced to judgment, or (d) such Obligations are liquidated, unliquidated, similar, dissimilar, related, unrelated, direct, indirect, fixed, contingent, primary, secondary, joint, several, or joint and several, matured, disputed, undisputed, legal, equitable, secured, or unsecured.

“Security” means any “security,” as such term is defined in Chapter 8 of the UCC, now owned or hereafter acquired by Debtor.

“Stock Rights” means any securities, dividends or other distributions and any other right or property which Debtor shall receive or shall become entitled to receive for any reason whatsoever with respect to, in substitution for or in exchange for any securities or other ownership interests in a corporation, partnership, joint venture or limited liability company constituting Collateral and any securities, any right to receive securities and any right to receive earnings, in which Debtor now has or hereafter acquires any right, issued by an issuer of such securities.

“Tangible Chattel Paper” means any “tangible chattel paper”, as such term is defined in Chapter 9 of the UCC, now owned or hereafter acquired by Debtor.

“UCC” means the Uniform Commercial Code as in effect in the State of Texas, as the same has been or may be amended or revised from time to time, or, if so required with respect to any particular Collateral by mandatory provisions of applicable law, as in effect in the jurisdiction in which such Collateral is located.

The foregoing definitions shall be equally applicable to both the singular and plural forms of the defined terms.

ARTICLE II GRANT OF SECURITY INTEREST

2.1 Security Interest. Debtor hereby pledges, assigns and grants to Secured Party (including their Affiliates), a security interest in all of Debtor’s right, title and interest in and to the Collateral to

secure the prompt and complete payment and performance of the Secured Obligations. If the security interest granted hereby in any rights of Debtor under any contract included in the Collateral is expressly prohibited by such contract, then the security interest hereby granted therein nonetheless remains effective to the extent allowed by Article or Chapter 9 of the UCC or other applicable law but is otherwise limited by that prohibition. Secured Party acknowledges that the attachment of its security interest in any Commercial Tort Claim as Collateral is subject to Debtor's compliance with Section 5.14.

2.2 Debtor Remains Liable. Notwithstanding anything to the contrary contained herein, (a) Debtor shall remain liable under the contracts and agreements included in the Collateral to the extent set forth therein to perform all of its respective duties and obligations thereunder to the same extent as if this Security Agreement had not been executed, (b) the exercise by Secured Party of any of its rights hereunder shall not release Debtor from any of its duties or obligations under the contracts and agreements included in the Collateral, and (c) Secured Party shall not have any obligation or liability under any of the contracts and agreements included in the Collateral by reason of this Security Agreement, nor shall Secured Party be obligated to perform any of the obligations or duties of Debtor thereunder or to take any action to collect or enforce any claim for payment assigned hereunder.

2.3 Authorization to File Financing Statements. Debtor hereby irrevocably authorizes Secured Party at any time and from time to time to file in any UCC jurisdiction any initial financing statements and amendments thereto that (a) indicate the Collateral (i) as all assets of Debtor or words of similar effect, regardless of whether any particular asset comprised in the Collateral falls within the scope of Article or Chapter 9 of the UCC, or (ii) as being of an equal or lesser scope or with greater detail, and (b) contain any other information required by subchapter E of Chapter 9 of the UCC for the sufficiency or filing office acceptance of any financing statement or amendment, including (i) whether Debtor is an organization, the type of organization and any organization identification number issued to Debtor and (ii) in the case of a financing statement filed as a fixture filing or indicating Collateral as as-extracted collateral or timber to be cut, a sufficient description of real property to which the Collateral relates. Debtor hereby irrevocably authorizes Secured Party at any time and from time to time to file in the United States Patent and Trademark Office, the United States Copyright Office or any other Governmental Authority this Security Agreement or a document of similar import signed by Debtor (including without limitation a short form of security agreement satisfactory to Secured Party and Debtor) or a true and correct copy thereof. Debtor agrees to furnish any such information to Secured Party promptly upon request.

ARTICLE III REPRESENTATIONS AND WARRANTIES

Debtor represents and warrants to Secured Party that:

3.1 Title, Authorization, Validity and Enforceability. Debtor has good and record and marketable title to the Collateral and none of the Collateral is subject to any Lien, except for Liens permitted under Section 5.1, and has full power and authority to grant to Secured Party the security interest in such Collateral pursuant hereto. The execution and delivery by Debtor of this Security Agreement has been duly authorized by proper corporate, limited liability, or partnership proceedings, as applicable, and this Security Agreement constitutes a legal, valid and binding obligation of Debtor and creates a security interest which is enforceable against Debtor in all now owned and hereafter acquired Collateral. When financing statements have been filed in the appropriate offices against Debtor, Secured Party will have a fully perfected first priority security interest in that Collateral in which a security interest may be perfected by filing, subject only to Liens permitted under Section 5.1.

3.2 Conflicting Laws and Contracts. Neither the execution and delivery by Debtor of this Security Agreement, the creation and perfection of the security interest in the Collateral granted hereunder, nor compliance with the terms and provisions hereof will violate any law, rule, regulation, order, writ, judgment, injunction, decree or award binding on Debtor or Debtor's Constituent Documents, the provisions of any indenture, instrument or agreement to which Debtor is a party or is subject, or by which it, or its Property, is bound, or conflict with or constitute a default thereunder, or result in the creation or imposition of any Lien pursuant to the terms of any such indenture, instrument or agreement (other than any Lien of Secured Party).

3.3 Principal Location. Debtor's mailing address, and the location of its chief executive office and of the books and records relating to the Receivables, are disclosed in Exhibit E; Debtor has no other places of business except those set forth in Exhibit E.

3.4 Property Locations. The Inventory, Equipment and Fixtures are located solely at the locations described in Exhibit E. All of said locations are owned by Debtor except for locations (a) which are leased by Debtor as lessee and designated in Exhibit E and (b) at which Inventory is held in a public warehouse or is otherwise held by a bailee or on consignment as designated in Exhibit E, with respect to which Inventory, Debtor has delivered bailment agreements, warehouse receipts, financing statements or other documents satisfactory to the Secured Party to protect Secured Party's security interest in such Inventory.

3.5 Deposit, Commodity, and Securities Account. Exhibit A correctly identifies all deposit, commodity, and securities accounts owned by Debtor and the institutions holding such accounts. No Person other than Debtor has control over any Investment Property.

3.6 Litigation. There is no litigation, investigation or governmental proceeding threatened against Debtor or any of its Property which could reasonably be expected to have a Material Adverse Event.

3.7 No Other Names. Debtor has not conducted business under any name except the name in which it has executed this Security Agreement.

3.8 No Event of Default. No Event of Default exists.

3.9 Accounts and Chattel Paper. The names of the obligors, amounts owing, due dates and other information with respect to the Accounts and Chattel Paper are and will be correctly stated in all records of Debtor relating thereto and in all invoices and reports with respect thereto furnished to Secured Party by Debtor from time to time. As of the time when each Account or each item of Chattel Paper arises, Debtor shall be deemed to have represented and warranted that such Account or Chattel Paper, as the case may be, and all records relating thereto, are genuine and in all respects what they purport to be.

3.10 No Financing Statements. No financing statement describing all or any portion of the Collateral which has not lapsed or been terminated naming Debtor as debtor has been filed in any jurisdiction except (i) financing statements naming Secured Party as the secured party, and (ii) as permitted by Section 5.1.

3.11 Federal Employer Identification Number. Debtor's Federal employer identification number is listed on Exhibit F.

3.12 Pledged Equity and Other Investment Property. Exhibit C sets forth a complete and accurate list of the Instruments, Securities and other Investment Property owned by Debtor. Debtor is the

direct and beneficial owner of each Instrument, Security and other type of Investment Property listed on Exhibit C as being owned by it, free and clear of any Liens, except for the security interest granted to Secured Party hereunder. Debtor further represents and warrants that (a) all such Instruments, Securities or other types of Investment Property which are shares of stock in a corporation or ownership interests in a partnership or limited liability company have been (to the extent such concepts are relevant with respect to such Instrument, Security or other type of Investment Property) duly and validly issued, are fully paid and non-assessable and (b) with respect to any certificates delivered to Secured Party representing an ownership interest in a partnership or limited liability company, either such certificates are Securities as defined in Chapter 8 of the UCC of the applicable jurisdiction as a result of actions by the issuer or otherwise, or, if such certificates are not Securities, Debtor has so informed Secured Party so that Secured Party may take steps to perfect its security interest therein as a General Intangible. With respect to ownership interests in its Subsidiaries, Debtor represents and warrants that the Pledged Equity constitutes 100% of the issued and outstanding capital stock (as other equity interests) in all its Subsidiaries.

ARTICLE IV CONCERNING INTELLECTUAL PROPERTY

4.1 Registrations. Exhibit B sets forth a complete and accurate list of the Intellectual Property owned by Debtor registered with, or subject to an application for registration with, the United States Patent and Trademark Office, United States Copyright Office, or any state trademark offices or other foreign offices or agencies, as applicable. Debtor is the direct and beneficial owner of the Intellectual Property listed on Exhibit B as being owned by it, free and clear of any Liens, except for the Liens permitted under Section 5.1.

4.2 Intellectual Property. To the knowledge and belief of Debtor, all Marks listed on Exhibit B for Debtor and all licenses held by such Debtor related to such Marks constitute all such rights that are required or reasonably necessary for the conduct of the business of Debtor as currently conducted. All such Marks (and all applications and registrations therefor) are currently in compliance in all material respects with all legal requirements (including, without limitation, timely filings, proofs and payments of all fees), and are valid and enforceable, and are not subject to any filings, fees or other actions falling due within ninety (90) days after the date hereof. Debtor owns or otherwise possesses adequate licenses or other valid rights to use, sell and license, free and clear of any and all adverse claims (including by current and former employees and contractors), liens, restrictions or other obligation to pay royalties, honoraria or other fees, any and all Intellectual Property (including without limitation the Marks) used in the conduct of the business of Debtor as currently conducted or proposed to be conducted. No Marks have been within the preceding three (3) years or are now the subject of any claims or litigation and, to the knowledge of Debtor, no claims or litigation have been alleged or threatened. Debtor has taken all reasonable steps to maintain, police and protect the Marks owned or used in the operation of Debtor's business. The conduct of Debtor's business as currently conducted or planned to be conducted does not infringe or otherwise impair or conflict with any Intellectual Property or other proprietary or personal rights of any third party, and, to the knowledge of Debtor, the Intellectual Property owned or licensed by Debtor is not being infringed by any third party. There is no litigation or order pending or outstanding, or to the knowledge of Debtor, threatened, that seeks to limit or challenge or that concerns the ownership, use, validity or enforceability of any Marks or any Intellectual Property of Debtor. The consummation of the transactions contemplated hereby will not result in the alteration, loss or impairment of the validity, enforceability or Debtor's right to own or use any of the Intellectual Property used in the conduct of the business of Debtor as currently conducted or proposed to be conducted. Debtor has made available to Secured Party a list of all software (other than generally commercially available, non-custom, off-the-shelf software application programs having a retail acquisition price of less than \$5,000) that is owned or used by Debtor, and identified which software is owned, otherwise used and/or licensed or otherwise distributed by Debtor to any third party, as the case may be.

ARTICLE V
COVENANTS

From the date of this Security Agreement, and thereafter until this Security Agreement is terminated, Debtor agrees that:

5.1 General.

5.1.1 Inspection. From time to time, Debtor will permit Secured Party, by its representatives and agents, at the expense of Debtor, (a) to inspect the Collateral, (b) to examine and make copies of the records of Debtor relating to the Collateral and (c) to discuss the Collateral and the related records of Debtor with, and to be advised as to the same by, Debtor's officers and employees (and, in the case of any Receivable, with any person or entity which is or may be obligated thereon) subject to the restrictions set forth in the Loan Agreement.

5.1.2 Taxes. Debtor will pay when due all taxes, assessments and governmental charges and levies as set forth in the Loan Agreement.

5.1.3 Exhibits. Debtor shall promptly update any Exhibits if any information therein shall become inaccurate or incomplete. The failure of property descriptions to be accurate or complete on any Exhibits shall not impair Secured Party's security interest in such property.

5.1.4 Records and Reports; Notification of Event of Default. Debtor will maintain complete and accurate books and records with respect to the Collateral, and furnish to Secured Party such reports relating to the Collateral as Secured Party shall from time to time reasonably request in writing. Debtor will give prompt notice in writing to Secured Party of the occurrence of any development, financial or otherwise, which might materially and adversely affect the Collateral. Debtor shall mark its books and records to reflect the security interest of Secured Party under this Security Agreement.

5.1.5 Actions; Defense of Title. Debtor will execute and deliver to Secured Party all statements, amendments and other agreements and documents and take such other actions as may from time to time be reasonably requested in writing by Secured Party in order to maintain a first perfected security interest in and, in the case of Investment Property, Deposit Accounts, Letter-of-Credit-Rights, and Electronic Chattel Paper, Control of, the Collateral. Debtor will take any and all actions necessary to defend title to the Collateral against all Persons and to defend the security interest of Secured Party in the Collateral and the priority thereof against any Lien not expressly permitted hereunder.

5.1.6 Disposition of Collateral. Debtor will not sell, lease, license or otherwise dispose of the Collateral except (a) prior to the occurrence of an Event of Default, dispositions specifically permitted pursuant to the Loan Agreement, (b) until such time following the occurrence and continuance of an Event of Default, as Debtor receives a notice from Secured Party instructing Debtor to cease such transactions, Debtor may make sales or leases of Inventory in the ordinary course of business and (c) until such time as Debtor receives a notice from Secured Party pursuant to Article VIII following the occurrence and continuance of an Event of Default, Debtor may use proceeds of Inventory and Accounts collected in the ordinary course of business.

5.1.7 Liens. Debtor will not create, incur, or suffer to exist any Lien on the Collateral except (a) the security interest created by this Security Agreement, and (b) other Liens permitted pursuant to the Loan Agreement.

5.1.8 Change in Location, Jurisdiction of Organization or Name. Debtor will not (a) have any Inventory, Equipment or Fixtures or Proceeds or products thereof (other than Inventory and proceeds thereof disposed of as permitted by Section 5.1.6) at a location other than a location specified in Exhibit E, (b) maintain records relating to the Receivables at a location other than at the location specified on Exhibit E, (c) maintain a place of business at a location other than a location specified on Exhibit E, (d) change its name or taxpayer identification number, (e) change its mailing address, or (f) change its jurisdiction of organization, unless Debtor shall have given Secured Party not less than 30 days' prior written notice thereof, and Secured Party shall have determined that such change will not adversely affect the validity, perfection or priority of Secured Party's security interest in the Collateral.

5.1.9 Other Financing Statements. Debtor will not file or authorize the filing on its behalf of any financing statement naming it as debtor covering all or any portion of the Collateral, except in favor of Secured Party.

5.2 Receivables.

5.2.1 Certain Agreements on Receivables. Debtor will not make or agree to make any discount, credit, rebate or other reduction in the original amount owing on a Receivable or accept in satisfaction of a Receivable less than the original amount thereof, except that, prior to the occurrence of an Event of Default, Debtor may reduce the amount of Accounts arising from the sale of Inventory in accordance with its present policies and in the ordinary course of business.

5.2.2 Collection of Receivables. Except as otherwise provided in this Security Agreement, Debtor will collect and enforce, at Debtor's sole expense, all amounts due or hereafter due to Debtor under the Receivables.

5.2.3 Delivery of Invoices. Debtor will deliver to Secured Party immediately upon its request after the occurrence of an Event of Default duplicate invoices with respect to each Account bearing such language of assignment as Secured Party shall specify.

5.2.4 Disclosure of Counterclaims on Receivables. If (a) any discount, credit or agreement to make a rebate or to otherwise reduce the amount owing on a Receivable exists or (b) if, to the knowledge of Debtor, any dispute, setoff, claim, counterclaim or defense exists or has been asserted or threatened with respect to a Receivable, Debtor will disclose such fact to Secured Party in writing in connection with the inspection by Secured Party of any record of Debtor relating to such Receivable and in connection with any invoice or report furnished by Debtor to Secured Party relating to such Receivable.

5.3 Inventory and Equipment.

5.3.1 Maintenance of Goods. Debtor will do all things commercially reasonably and necessary to maintain, preserve, protect and keep the Inventory and the Equipment in good repair and working and saleable condition.

5.3.2 Insurance. Debtor will maintain insurance in accordance with Section 4.5 of the Loan Agreement.

5.3.3 Inventory Warranties. Reserved.

5.3.4 Safekeeping of Inventory; Inventory Covenants. Secured Party shall not be responsible for (a) the safekeeping of the Inventory; (b) any loss or damage thereto or destruction thereof occurring or arising in any manner or fashion from any cause; (c) any diminution in the value of Inventory or (d) any act or default of any carrier, warehouseman, bailee or forwarding agency or any other Person in any way dealing with or handling the Inventory. All risk of loss, damage, distribution or diminution in value of the Inventory shall be borne by Debtor.

5.3.5 Records and Schedules of Inventory. Debtor shall keep correct and accurate records itemizing and describing the kind, type, quality and quantity of Inventory, Debtor's cost therefor and selling price thereof, and the withdrawals therefrom and additions thereto and Inventory then on consignment, and shall, at the request of Secured Party, furnish to Secured Party, daily copies of the working papers related thereto. A physical count of the Inventory shall be conducted no less often than annually and a report based on such count of Inventory shall promptly thereafter be provided to Secured Party together with such supporting information including, without limitation invoices relating to Debtor's purchase of goods listed in said report, as Secured Party shall, in its sole and absolute discretion, request.

5.3.6 Returned and Repossessed Inventory. If at any time prior to the occurrence of an Event of Default, any Account Debtor returns any Inventory to Debtor with a value in excess of \$10,000.00, Debtor shall promptly determine the reason for such return and, if Debtor accepts such return, issue a credit memorandum (with a copy to be sent to Secured Party if Secured Party has so requested) in the appropriate amount to such Account Debtor. After the occurrence of an Event of Default, Debtor shall hold all returned Inventory in trust for Secured Party, shall segregate all returned Inventory from all other property of Debtor or in its possession and shall conspicuously label said returned Inventory as the property of Secured Party. Debtor shall, in all cases, immediately notify Secured Party of the return of any Inventory with a value in excess of \$10,000.00 specifying the reason for such return and the location and condition of the returned Inventory.

5.4 Instruments, Securities, Chattel Paper, and Documents. Debtor will (a) deliver to Secured Party immediately upon execution of this Security Agreement the originals of all Chattel Paper, Securities and Instruments (if any then exist), (b) hold in trust for Secured Party upon receipt and immediately thereafter deliver to Secured Party any Chattel Paper, Securities and Instruments constituting Collateral, and (c) upon Secured Party's request, deliver to Secured Party (and thereafter hold in trust for Secured Party upon receipt and immediately deliver to Secured Party) any Document evidencing or constituting Collateral.

5.5 Uncertificated Securities and Certain Other Investment Property. Debtor will permit Secured Party from time to time to cause the appropriate issuers (and, if held with a securities intermediary, such securities intermediary) of uncertificated securities or other types of Investment Property not represented by certificates which are Collateral to mark their books and records with the numbers and face amounts of all such uncertificated securities or other types of Investment Property not represented by certificates and all rollovers and replacements therefor to reflect the Lien of Secured Party granted pursuant to this Security Agreement. Debtor will take any actions necessary to cause (a) the issuers of uncertificated securities which are Collateral and which are Securities and (b) any financial intermediary which is the holder of any Investment Property, to cause Secured Party to have and retain Control over such Securities or other Investment Property. Without limiting the foregoing, Debtor will, with respect to Investment Property held with a financial intermediary, cause such financial intermediary to enter into a control agreement with Secured Party in form and substance satisfactory to Secured Party.

5.6 Stock and Other Ownership Interests.

5.6.1 Changes in Capital Structure of Issuers. Except as expressly permitted under the Loan Agreement, Debtor will not (a) permit or suffer any issuer of privately held corporate securities or other ownership interests in a corporation, partnership, joint venture or limited liability company constituting Collateral to dissolve, liquidate, retire any of its capital stock or other Instruments or Securities evidencing ownership, reduce its capital or merge or consolidate with any other entity, or (b) vote any of the Instruments, Securities or other Investment Property in favor of any of the foregoing.

5.6.2 Issuance of Additional Equity. Debtor will not permit or suffer the issuer of privately held corporate securities or other ownership interests in a corporation, partnership, joint venture or limited liability company constituting Collateral to issue any such securities or other ownership interests, any right to receive the same or any right to receive earnings, except to Debtor.

5.6.3 Registration of Pledged Equity and other Investment Property. Debtor will permit any registerable Collateral to be registered in the name of Secured Party or its nominee at any time.

5.6.4 Exercise of Rights in Pledged Equity and other Investment Property. Debtor will permit Secured Party or its nominee at any time after the occurrence of an Event of Default, without notice, to exercise all voting and corporate rights relating to the Collateral, including, without limitation, exchange, subscription or any other rights, privileges, or options pertaining to any corporate securities or other ownership interests or Investment Property in or of a corporation, partnership, joint venture or limited liability company constituting Collateral and the Stock Rights as if it were the absolute owner thereof.

5.6.5 Issuance of Securities. Debtor shall not permit any limited partnership interests or ownership interests in a limited liability company which are included within the Collateral to at any time constitute a Security or consent to the issuer of any such interests taking any action to have such interests treated as a Security unless (a) all certificates or other documents constituting such Security have been delivered to Secured Party and such Security is properly defined as such under Article 8 of the UCC of the applicable jurisdiction, whether as a result of actions by the issuer thereof or otherwise, or (b) Secured Party has entered into a control agreement with the issuer of such Security or with a securities intermediary relating to such Security and such Security is defined as such under Article 8 of the UCC of the applicable jurisdiction, whether as a result of actions by the issuer thereof or otherwise.

5.7 Accounts.

5.7.1 Account Warranties. Reserved.

5.7.2 Verification of Accounts. Secured Party shall have the right, at any time or times hereafter, in its name or in the name of a nominee of Secured Party, to verify the validity, amount or any other matter relating to any Accounts, by mail, telephone, telegraph or otherwise.

5.7.3 Disputed Accounts; Limitation on Modification of Accounts. Upon the occurrence and during the continuation of an Event of Default, Debtor will not, without Secured Party's prior written consent, grant any extension of the time for payment of any of the Accounts, compromise, compound or settle the same for less than the full amount thereof, release, wholly or

partly, any Person liable for the payment thereof, or allow any credit or discount whatsoever thereon other than trade discounts and refunds granted in the ordinary course of business of Debtor.

5.7.4 Appointment of the Agent as Attorney-in-Fact. Debtor hereby irrevocably designates, makes, constitutes and appoints Secured Party (and all persons designated by Secured Party), exercisable after the occurrence and during the continuation of an Event of Default, as its true and lawful attorney-in-fact, and authorizes Secured Party, in Debtor's or Secured Party's name, to: (a) demand payment of Accounts; (b) enforce payment of Accounts by legal proceedings or otherwise; (c) exercise all of Debtor's rights and remedies with respect to proceedings brought to collect an Account; (d) sell or assign any Account upon such terms, for such amount and at such time or times as Secured Party deems advisable; (e) settle, adjust, compromise, extend or renew an Account; (f) discharge and release any Account; (g) take control in any manner of any item of payment or proceeds thereof; (h) prepare, file and sign Debtor's name on any proof of claim in bankruptcy or other similar document against an Account Debtor; (i) endorse Debtor's name upon any items of payment or proceeds thereof and deposit the same in Secured Party's account on account of the Secured Obligations; (j) endorse Debtor's name upon any chattel paper, document, instrument, invoice, or similar document or agreement relating to any Account or any goods pertaining thereto; (k) sign Debtor's name on any verification of Accounts and notices thereof to Account Debtor; (l) notify the post office authorities to change the address for delivery of Debtor's mail to an address designated by Secured Party, have access to any lock box or postal box into which any of Debtor's mail is deposited, and open and dispose of all mail addressed Debtor, and (m) do all acts and things which are necessary, in Secured Party's sole discretion, to fulfill Debtor's obligations under this Security Agreement.

5.7.5 Notice to Account Debtor. Secured Party may, in its sole discretion, at any time or times after an Event of Default has occurred and is continuing, and without prior notice to Debtor, notify any or all Account Debtors that the Accounts have been assigned to Secured Party and that Secured Party has a security interest therein. Secured Party may direct any or all Account Debtors to make all payments upon the Accounts directly to Secured Party. Secured Party shall furnish Debtor with a copy of such notice.

5.8 Deposit Accounts. As and to the extent required under the Loan Agreement, Debtor will cause each bank or other financial institution in which it maintains a Deposit Account or other deposit (general or special, time or demand, provisional or final) to execute and deliver to Secured Party, and at all times maintain in full force and effect, a control agreement in form and substance reasonably satisfactory to Secured Party.

5.9 Federal, State or Municipal Claims. Debtor will notify Secured Party of any Collateral which constitutes a claim against a Governmental Authority, the assignment of which claim is restricted by federal, state or municipal law.

5.10 Warehouse Receipts Non-Negotiable. Debtor agrees that if any warehouse receipt or receipt in the nature of a warehouse receipt is issued with respect to any of its Inventory, such warehouse receipt or receipt in the nature thereof shall not be "negotiable" (as such term is used in Section 7-104 of the UCC).

5.11 Mortgagee's and Landlord Waivers. Debtor shall cause each mortgagee of real property owned by Debtor (upon request by Secured Party) and each landlord of real property leased by Debtor to execute and deliver instruments satisfactory in form and substance to Secured Party by which such mortgagee or landlord waives its rights, if any, in the Collateral.

5.12 Compliance with Agreements. Debtor shall comply in all material respects with all mortgages, deeds of trust, instruments, and other agreements binding on it or affecting its properties or business.

5.13 Compliance with Laws. Debtor shall comply in all material respects with all applicable Laws.

5.14 Commercial Tort Claims. If Debtor at any time holds or acquires a Commercial Tort Claim, Debtor shall immediately notify Secured Party in writing of the details thereof and grant to Secured Party in writing a security interest therein or lien thereon and in the Proceeds thereof, in form and substance satisfactory to Secured Party.

5.15 Letters-of-Credit Rights. If Debtor is at any time a beneficiary under a letter of credit now or hereafter issued in favor of Debtor, Debtor shall promptly notify Secured Party thereof in writing and, at Secured Party's written request, Debtor shall, pursuant to an agreement in form and substance satisfactory to Secured Party, either (a) arrange for the issuer or any confirmer of such letter of credit to consent to an assignment to Secured Party of the proceeds of any drawing under the letter of credit or (b) arrange for Secured Party to become the transferee beneficiary of the letter of credit, with Secured Party agreeing, in each case, that the proceeds of any drawing under the letter of credit are to be applied as provided in the Loan Agreement.

5.16 Further Assurances. At any time and from time to time, upon the written request of Secured Party, and at the sole expense of Debtor, Debtor shall promptly execute and deliver all such further instruments and documents and take such further action as Secured Party may deem reasonably necessary to preserve and perfect its security interest in the Collateral and carry out the provisions and purposes of this Security Agreement, including, without limitation, (a) the filing of such financing statements as Secured Party may require and (b) the deposit of all certificates of title issuable with respect to any of the Collateral and noting thereon the security interest hereunder. A carbon, photographic, or other reproduction of this Security Agreement or of any financing statement covering the Collateral or any part thereof shall be sufficient as a financing statement and may be filed as a financing statement. Debtor shall promptly endorse and deliver to Secured Party all documents, instruments, and chattel paper that it now owns or may hereafter acquire.

5.17 Intellectual Property. Debtor will give prompt notice in writing to Secured Party of the occurrence of any development, financial or otherwise, which might materially and adversely affect the Intellectual Property, including, without limitation, of any (a) Lien (other than the Liens permitted under Section 5.1.7) asserted against the Collateral, (b) any infringement, misappropriation, or dilution by a third party of any Intellectual Property, or (c) any abandonment or dedication, or adverse determination or development regarding Debtor's ownership of any rights therein. If Debtor obtains any new registered Intellectual Property, or rights thereto or therein, or becomes entitled to the benefit of any Intellectual Property, which are subject to or arise from this Security Agreement, Debtor shall give Secured Party written notice thereof within twenty (20) days of the end of the calendar month in which Debtor obtains such property or rights, and shall execute and deliver, in form and substance satisfactory to Secured Party, an amendment to this Security Agreement (or any Exhibit hereto) or a security agreement, the terms of which are substantially similar to this Security Agreement, as requested by Secured Party, describing any such new registered Intellectual Property or license granted. Debtor shall: (a) prosecute diligently any patent, copyright or trademark application at any time pending, which is necessary for the conduct of its business; (b) make application on all new patents, copyrights and trademarks as it may reasonably deem appropriate; (c) preserve and maintain all rights in all Intellectual Property that are necessary for the conduct of Debtor's business; and (d) use its best efforts to obtain any consents, waivers, or agreements necessary to enable Secured Party to exercise its remedies with respect to the Collateral. Debtor shall not

abandon any pending patent, copyright or trademark application, or patent, copyright or trademark, or any other Intellectual Property that are necessary for the conduct of its business without the prior written consent of Secured Party. Debtor shall not, without Secured Party's consent, amend or otherwise modify any pending application or registration contained in or covering the Collateral, to the extent such amendment or modification would impair the Liens of Secured Party in the Collateral.

ARTICLE VI
DEFAULT

6.1 Acceleration and Remedies. Upon the occurrence and continuance of an Event of Default under the Loan Agreement or any other Loan Document, Secured Party may exercise any or all of the following rights and remedies:

(a) Exercise any or all of those rights and remedies provided in this Security Agreement, the Loan Agreement, or any other Loan Document, provided that this paragraph shall not be understood to limit any rights or remedies available to Secured Party prior to an Event of Default.

(b) Exercise any or all of those rights and remedies available to a secured party under the UCC (whether or not the UCC applies to the affected Collateral) or under any other applicable law (including, without limitation, any law governing the exercise of a bank's right of setoff or bankers' lien) when a debtor is in default under a security agreement.

(c) Without notice except as specifically provided in Section 6.2 or elsewhere herein, sell, lease, license, assign, grant an option or options to purchase or otherwise dispose of the Collateral or any part thereof in one or more parcels at public or private sale, for cash, on credit or for future delivery, and upon such other terms as Secured Party may deem commercially reasonable.

(d) Require Debtor to, and Debtor hereby agrees that it will at its expense and upon request of Secured Party, assemble and make available to Secured Party the Collateral and all records relating thereto at any place or places specified by Secured Party.

(e) Prior to the disposition of any Collateral, (i) to the extent permitted by applicable law, enter, with or without process of law and without breach of peace, any premises where any of the Collateral is or may be located, and without charge or liability to Secured Party, seize and remove such Collateral from such premises, (ii) have access to and use Debtor's books, records and information relating to the Collateral, and (iii) store or transfer any of the Collateral, without charge in or by means of any storage or transportation facility owned or leased by Debtor, process, repair or recondition any of the Collateral or otherwise prepare it for disposition in any manner and to the extent Secured Party deems appropriate and, in connection with such preparation and disposition, use without charge any copyright, trademark, trade name, patent or technical process used by Debtor.

(f) Reduce its claim to judgment or foreclose or otherwise enforce, in whole or in part, the security interest created hereby by any available judicial procedure.

(g) Dispose of, at its office, on the premises of Debtor or elsewhere, all or any part of the Collateral, as a unit or in parcels, by public or private proceedings, and by way of one or more contracts (it being agreed that the sale of any part of the Collateral shall not exhaust Secured Party's power of sale, but sales may be made from time to time, and at any time, until all of the

Collateral has been sold or until all of the Secured Obligations have been paid and performed in full), and at any such sale it shall not be necessary to exhibit any of the Collateral.

(h) Buy the Collateral, or any part thereof, at any public sale.

(i) Buy the Collateral, or any part thereof, at any private sale if the Collateral is of a type customarily sold in a recognized market or is of a type which is the subject of widely distributed standard price quotations.

(j) Apply by appropriate judicial proceedings for appointment of a receiver for the Collateral, or any part thereof, and Debtor hereby consents to any such appointment.

(k) Grant or issue any exclusive or non-exclusive license under or with respect to any of Debtor's Intellectual Property (subject to the rights of third parties under pre-existing licenses) included in the Collateral.

(l) Endorse Debtor's name on all applications and other documentation necessary or desirable in order for Secured Party to use any such Intellectual Property included in the Collateral or covered by the Loan Agreement.

6.2 Notice of Disposition of Collateral. Debtor hereby agrees that notice of the time and place of any public sale or the time after which any private sale or other disposition of all or any part of the Collateral may be made shall be deemed reasonable if sent to Debtor, addressed as set forth in Article X, at least ten (10) days prior to (a) the date of any such public sale or (b) the time after which any such private sale or other disposition may be made.

6.3 License. Secured Party is hereby granted a license or other right to use, following the occurrence and during the continuance of an Event of Default, without charge, Debtor's Intellectual Property, customer lists and advertising matter, or any property of a similar nature, as it pertains to the Collateral, in completing production of, advertising for sale, and selling any Collateral, and, following the occurrence and during the continuance of an Event of Default, Debtor's rights under all licenses shall inure to Secured Party's benefit. In addition, Debtor hereby irrevocably agrees that Secured Party may, following the occurrence and during the continuance of an Event of Default, sell any of Debtor's Inventory directly to any Person, including without limitation Persons who have previously purchased Debtor's Inventory from Debtor and in connection with any such sale or other enforcement of Secured Party's rights under this Security Agreement, may sell Inventory which bears any trademark owned by or licensed to Debtor and any Inventory that is covered by any copyright owned by or licensed to Debtor and Secured Party may finish any work in process and affix any trademark owned by or licensed to Debtor and sell such Inventory as provided herein.

6.4 Deficiency. In the event that the proceeds of any sale, collection or realization of or upon Collateral by Secured Party are insufficient to pay all Secured Obligations and any other amounts to which Secured Party is legally entitled, Debtor shall be liable for the deficiency, together with interest thereon as provided in the Loan Agreement or (if no interest is so provided) at such other rate as shall be fixed by applicable law, together with the costs of collection and the reasonable fees of any attorneys employed by Secured Party to collect such deficiency.

6.5 Non-Judicial Remedies. In granting to Secured Party the power to enforce its rights hereunder without prior judicial process or judicial hearing, Debtor expressly waives, renounces and knowingly relinquishes any legal right which might otherwise require Secured Party to enforce its rights by judicial process. In so providing for non-judicial remedies, Debtor recognizes and concedes that such

remedies are consistent with the usage of trade, are responsive to commercial necessity, and are the result of a bargain at arm's length. Nothing herein is intended, however, to prevent Secured Party from resorting to judicial process at its option.

6.6 Limitation on Duty of Secured Party in Respect of Collateral. Beyond the exercise of reasonable care in the custody thereof, Secured Party shall have no duty as to any Collateral in its possession or control or in the possession or control of any agent or bailee or as to the preservation of rights against prior parties or any other rights pertaining thereto. Secured Party shall be deemed to have exercised reasonable care in the custody of the Collateral in its possession if the Collateral is accorded treatment substantially equal to that which it accords its own property, and shall not be liable or responsible for any loss or damage to any of the Collateral, or for any diminution in the value thereof, by reason of the act or omission of any warehouseman, carrier, forwarding agency, consignee or other agent or bailee selected by Secured Party in good faith.

ARTICLE VII WAIVERS, AMENDMENTS AND REMEDIES

No delay or omission of Secured Party to exercise any right or remedy granted under this Security Agreement shall impair such right or remedy or be construed to be a waiver of any Event of Default, or an acquiescence therein, and any single or partial exercise of any such right or remedy shall not preclude any other or further exercise thereof or the exercise of any other right or remedy. No waiver, amendment or other variation of the terms, conditions or provisions of this Security Agreement whatsoever shall be valid unless in writing signed by Secured Party and then only to the extent in such writing specifically set forth. All rights and remedies contained in this Security Agreement or by law afforded shall be cumulative and all shall be available to Secured Party until the Secured Obligations have been paid in full.

ARTICLE VIII PROCEEDS; COLLECTION OF RECEIVABLES

8.1 Lockboxes. [Intentionally deleted.]

8.2 Collection of Receivables. Upon the occurrence and continuation of an Event of Default, Secured Party may at any time in its sole discretion, by giving Debtor written notice, elect to require that the Receivables be paid directly to Secured Party. In such event, Debtor shall, and shall permit Secured Party to, promptly notify the Account Debtors or obligors under the Receivables of Secured Party's interest therein and direct such Account Debtors or obligors to make payment of all amounts then or thereafter due under the Receivables directly to Secured Party. Upon receipt of any such notice from Secured Party, Debtor shall thereafter hold in trust for Secured Party, all amounts and proceeds received by it with respect to the Receivables and Other Collateral and immediately and at all times thereafter deliver to Secured Party all such amounts and proceeds in the same form as so received, whether by cash, check, draft or otherwise, with any necessary endorsements. Secured Party shall hold and apply funds so received as provided by the terms of Sections 8.4.

8.3 Special Collateral Account. Secured Party may require all cash proceeds of the Collateral to be deposited in a special non-interest bearing cash collateral account with Secured Party and held there as security for the Secured Obligations. Debtor shall not have control whatsoever over said cash collateral account. If no Event of Default has occurred or is continuing, Secured Party shall from time to time deposit the collected balances in said cash collateral account into Debtor's general operating account with Secured Party. If any Event of Default has occurred and is continuing, Secured Party may, from time to time, apply the collected balances in said cash collateral account to the payment of the Secured Obligations whether or not the Secured Obligations shall then be due.

8.4 Application of Proceeds. After the occurrence and during the continuation of an Event of Default, the proceeds of the Collateral shall be applied by Secured Party to payment of the Secured Obligations in such manner and order as Secured Party may elect in its sole discretion.

ARTICLE IX GENERAL PROVISIONS

9.1 Compromises and Collection of Collateral. Debtor and Secured Party recognize that setoffs, counterclaims, defenses and other claims may be asserted by obligors with respect to certain of the Receivables, that certain of the Receivables may be or become uncollectible in whole or in part and that the expense and probability of success in litigating a disputed Receivable may exceed the amount that reasonably may be expected to be recovered with respect to a Receivable. In view of the foregoing, Debtor agrees that Secured Party may at any time and from time to time, if an Event of Default has occurred and is continuing, compromise with the obligor on any Receivable, accept in full payment of any Receivable such amount as Secured Party in its sole discretion shall determine or abandon any Receivable, and any such action by Secured Party shall be commercially reasonable so long as Secured Party acts in good faith based on information known to it at the time it takes any such action.

9.2 Secured Party Performance of Debtor's Obligations. Without having any obligation to do so, Secured Party may perform or pay any obligation which Debtor has agreed to perform or pay in this Security Agreement and Debtor shall reimburse Secured Party for any amounts paid by Secured Party pursuant to this Section 9.2. Debtor's obligation to reimburse Secured Party pursuant to the preceding sentence shall be a Secured Obligation payable on demand.

9.3 Authorization for Secured Party to Take Certain Action. Debtor irrevocably authorizes Secured Party at any time and from time to time in the sole discretion of Secured Party and appoints Secured Party as its attorney in fact (a) to file financing statements necessary or desirable in the Secured Party's sole discretion to perfect and to maintain the perfection and priority of Secured Party's security interest in the Collateral, (b) to indorse and collect any cash proceeds of the Collateral, (c) to file a copy of this Security Agreement or any financing statement with respect to the Collateral as a financing statement in such offices as Secured Party in its sole discretion deems necessary or desirable to perfect and to maintain the perfection and priority of Secured Party's security interest in the Collateral, (d) to contact and enter into one or more agreements with the issuers of uncertificated securities which are Collateral and which are Securities or with financial intermediaries holding other Investment Property as may be necessary or advisable to give Secured Party Control over such Securities or other Investment Property, (e) subject to the terms of Section 2.2, to enforce payment of the Receivables in the name of Secured Party or Debtor, (f) to apply the proceeds of any Collateral received by Secured Party to the Secured Obligations as provided in Article VIII and (g) to discharge past due taxes, assessments, charges, fees or Liens on the Collateral (except for such Liens as are specifically permitted hereunder), and Debtor agrees to reimburse Secured Party on demand for any payment made or any expense incurred by Secured Party in connection therewith, provided that this authorization shall not relieve Debtor of any of its obligations under this Security Agreement or under the Loan Agreement.

9.4 Specific Performance of Certain Covenants. Debtor acknowledges and agrees that a breach of any of the covenants contained in Sections 5.1.4, 5.1.6, 5.1.7, 5.4, 6.3, 9.5, 9.6 or in Article VIII will cause irreparable injury to Secured Party, that Secured Party has no adequate remedy at law in respect of such breaches and therefore agrees, without limiting the right of Secured Party to seek and obtain specific performance of other obligations of Debtor contained in this Security Agreement, that the covenants of Debtor contained in the Sections referred to in this Section 9.4 shall be specifically enforceable against Debtor.

9.5 Use and Possession of Certain Premises. If an Event of Default has occurred and is continuing, Secured Party shall be entitled to occupy and use any premises owned or leased by Debtor where any of the Collateral or any records relating to the Collateral are located until the Secured Obligations are paid or the Collateral is removed therefrom, whichever first occurs, without any obligation to pay Debtor for such use and occupancy.

9.6 Dispositions Not Authorized. Debtor is not authorized to sell or otherwise dispose of the Collateral except as set forth in Section 5.1.6 and notwithstanding any course of dealing between Debtor and Secured Party or other conduct of Secured Party, no authorization to sell or otherwise dispose of the Collateral (except as set forth in Section 5.1.6) shall be binding upon Secured Party unless such authorization is in writing signed by Secured Party.

9.7 Benefit of Agreement. The terms and provisions of this Security Agreement shall be binding upon and inure to the benefit of Debtor, Secured Party and their respective successors and assigns, except that Debtor shall not have the right to assign its rights or delegate its obligations under this Security Agreement or any interest herein, without the prior written consent of Secured Party.

9.8 Survival of Representations. All representations and warranties of Debtor contained in this Security Agreement shall survive the execution and delivery of this Security Agreement.

9.9 Taxes and Expenses. Any taxes (including income taxes) payable or ruled payable by any Federal or State authority in respect of this Security Agreement shall be paid by Debtor, together with interest and penalties, if any. To the extent permitted by applicable law, Debtor promptly will pay, upon demand, any out-of-pocket expenses incurred by Secured Party in connection herewith, including all costs, expenses, taxes, assessments, insurance premiums, repairs (including repairs to realty or other property to which any Collateral may have been attached), court costs, attorneys' fees, rent, storage costs and expenses of sales incurred in connection with the administration of this Security Agreement, the enforcement of the rights of Secured Party hereunder, whether incurred before or after the occurrence of an Event of Default or incurred in connection with the perfection, preservation, or defense of the security interest created hereunder, or the custody, protection, collection, repossession, enforcement or sale of the Collateral. All such expenses shall become part of the Secured Obligations and shall bear interest at the Default Rate from the date paid or incurred by Secured Party until paid by Debtor.

9.10 Headings. The title of and section headings in this Security Agreement are for convenience of reference only, and shall not govern the interpretation of any of the terms and provisions of this Security Agreement.

9.11 Termination. This Security Agreement shall continue in effect (notwithstanding the fact that from time to time there may be no Secured Obligations outstanding) until (a) the Loan Agreement has terminated pursuant to its express terms and (b) all of the Secured Obligations have been indefeasibly paid and performed in full and no commitments of Secured Party which would give rise to any Secured Obligations are outstanding.

9.12 Entire Agreement. This Security Agreement embodies the entire agreement and understanding between Debtor and Secured Party relating to the Collateral and supersedes all prior agreements and understandings between Debtor and Secured Party relating to the Collateral.

9.13 Governing Law; Jurisdiction, Etc.

9.13.1 GOVERNING LAW. THIS SECURITY AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF TEXAS.

9.13.2 SUBMISSION TO JURISDICTION. DEBTOR IRREVOCABLY AND UNCONDITIONALLY SUBMITS, FOR ITSELF AND ITS PROPERTY, TO THE NONEXCLUSIVE JURISDICTION OF THE COURTS OF THE STATE OF TEXAS SITTING IN DALLAS COUNTY AND OF THE UNITED STATES DISTRICT COURT OF THE NORTHERN DISTRICT OF TEXAS (DALLAS DIVISION), AND ANY APPELLATE COURT FROM ANY THEREOF, IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS SECURITY AGREEMENT OR ANY OTHER LOAN DOCUMENT, OR FOR RECOGNITION OR ENFORCEMENT OF ANY JUDGMENT, AND EACH OF THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY AGREES THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED IN SUCH STATE OF TEXAS STATE COURT OR, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, IN SUCH FEDERAL COURT. EACH OF THE PARTIES HERETO AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW. NOTHING IN THIS SECURITY AGREEMENT OR IN ANY OTHER LOAN DOCUMENT SHALL AFFECT ANY RIGHT THAT MAY OTHERWISE HAVE TO BRING ANY ACTION OR PROCEEDING RELATING TO THIS SECURITY AGREEMENT OR ANY OTHER LOAN DOCUMENT AGAINST DEBTOR OR ANY OTHER LOAN PARTY OR ITS PROPERTIES IN THE COURTS OF ANY JURISDICTION.

9.13.3 WAIVER OF VENUE. DEBTOR IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY OBJECTION THAT IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS SECURITY AGREEMENT OR ANY OTHER LOAN DOCUMENT IN ANY COURT REFERRED TO IN SECTION 9.13.2. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF SUCH ACTION OR PROCEEDING IN ANY SUCH COURT.

9.13.4 SERVICE OF PROCESS. EACH PARTY HERETO IRREVOCABLY CONSENTS TO SERVICE OF PROCESS IN THE MANNER PROVIDED FOR NOTICES IN THE LOAN AGREEMENT. NOTHING IN THIS SECURITY AGREEMENT WILL AFFECT THE RIGHT OF ANY PARTY HERETO TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY APPLICABLE LAW.

9.14 Waiver of Jury Trial. EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS SECURITY AGREEMENT OR ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON WOULD

NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS SECURITY AGREEMENT AND THE OTHER LOAN DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

9.15 INDEMNITY. DEBTOR HEREBY AGREES TO INDEMNIFY SECURED PARTY AND ITS RESPECTIVE SUCCESSORS, ASSIGNS, AGENTS, ATTORNEYS, AND EMPLOYEES, FROM AND AGAINST ANY AND ALL LIABILITIES, DAMAGES, PENALTIES, SUITS, COSTS, AND EXPENSES OF ANY KIND AND NATURE (INCLUDING, WITHOUT LIMITATION, ALL EXPENSES OF LITIGATION OR PREPARATION THEREFOR WHETHER OR NOT SECURED PARTY IS A PARTY THERETO) IMPOSED ON, INCURRED BY OR ASSERTED AGAINST SECURED PARTY OR THEIR RESPECTIVE SUCCESSORS, ASSIGNS, AGENTS, ATTORNEYS, AND EMPLOYEES, IN ANY WAY RELATING TO OR ARISING OUT OF THIS SECURITY AGREEMENT, OR THE MANUFACTURE, PURCHASE, ACCEPTANCE, REJECTION, OWNERSHIP, DELIVERY, LEASE, POSSESSION, USE, OPERATION, CONDITION, SALE, RETURN OR OTHER DISPOSITION OF ANY COLLATERAL (INCLUDING, WITHOUT LIMITATION, LATENT AND OTHER DEFECTS, WHETHER OR NOT DISCOVERABLE BY THE SECURED PARTY OR DEBTOR, AND ANY CLAIM FOR PATENT, TRADEMARK OR COPYRIGHT INFRINGEMENT).

ARTICLE X
NOTICES

10.1 Sending Notices. Any notice required or permitted to be given under this Security Agreement shall be sent (and deemed received) in the manner and to the addresses set forth in the Loan Agreement.

10.2 Change in Address for Notices. Debtor and Secured Party may change the address for service of notice upon it by a notice in writing to the other parties.

IN WITNESS WHEREOF, Debtor and Secured Party have executed this Security Agreement as of the date first above written.

DEBTOR:

INNOVATIVE FOOD HOLDINGS, INC.,
a Florida corporation

By: /s/ Richard Tang
Richard Tang, Chief Financial Officer

INNOVATIVE FOOD PROPERTIES, LLC,
a Delaware limited liability company

By INNOVATIVE FOOD HOLDINGS, INC.,
a Florida corporation,
its sole member

By: /s/ Richard Tang
Richard Tang, Chief Financial Officer

SECURED PARTY:

MAPLEMARK BANK

By: /s/ Kendall Scott
Kendall Scott, Senior Vice President

EXHIBIT A

DEPOSIT ACCOUNTS

Those maintained with Secured Party.

EXHIBIT B

INTELLECTUAL PROPERTY

NONE

EXHIBIT C

LIST OF INSTRUMENTS, SECURITIES AND OTHER INVESTMENT PROPERTY

NONE

EXHIBIT D

UCC FILING JURISDICTIONS

FLORIDA

DELAWARE

EXHIBIT E

LOCATIONS

Principal Place of Business and Mailing Address:

28411 Race Track Road
Bonita Springs, FL 34135

Location(s) of Receivables Records (if different from Principal Place of Business above):

Same as above

Locations of Inventory and Equipment and Fixtures:

Properties Owned by Debtor (indicate which): As provided in writing to Secured Party

Properties Leased by Debtor (indicate which): As provided in writing to Secured Party

Public Warehouses or other Locations pursuant to Bailment or Consignment Arrangements for Debtor (indicate which) (include name of Warehouse Operator or other Bailee or Consignee): NONE

EXHIBIT F

FEDERAL EMPLOYER IDENTIFICATION NUMBER

AS PROVIDED IN WRITING TO SECURED PARTY

LOAN MODIFICATION

THIS LOAN MODIFICATION ("Modification"), dated effective as of May 27, 2023, is between INNOVATIVE FOOD HOLDINGS, INC., a Florida corporation, and INNOVATIVE FOOD PROPERTIES, LLC, a Delaware limited liability company (collectively, the "Borrower"), and MAPLEMARK BANK (together with its successors and assigns, "Lender").

RECITALS

A. Borrower and Lender entered into that certain Loan Agreement, dated as of June 6, 2022 (as may be amended from time to time, "Loan Agreement").

B. Borrower desires to extend the maturity date from May 27, 2023 to May 27, 2033.

AGREEMENT

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and confessed, the parties, intending to be legally bound, hereby agree as follows:

ARTICLE I Recitals and Definitions

Section 1.01. Recitals. The foregoing recitals are hereby incorporated into and made a part of this Modification for all purposes.

Section 1.02. Definitions. Capitalized terms used in this Modification, to the extent not otherwise defined herein, shall have the same meaning as in the Loan Agreement. Definitions contained in the Loan Agreement, as amended hereby, and in the other Loan Documents which identify agreements, instruments or documents shall be deemed to include all amendments and supplements to such agreements, instruments and documents and, without any obligation on the part of Lender to enter into any future amendments, modifications or supplements, all future amendments, modifications, and supplements thereto entered into from time to time.

ARTICLE II Amendments to Loan Agreement

Section 2.01. Note Rate. The definition of "Note Rate" in Section 1.1 of the Loan Agreement is hereby amended and restated to read as follows:

"Note Rate" means the rate equal to the lesser of (a) the Maximum Lawful Rate, or (b) 6.64% per annum.

Section 2.02. Maturity Date. The definition of "Maturity Date" in Section 1.1 of the Loan Agreement is hereby amended and restated to read as follows:

"Maturity Date" means May 27, 2033.

Section 2.03. Removal of Extension Option. Section 2.4 of the Loan Agreement is hereby amended and restated to read as follows:

2.4 Maturity Date Extension. Intentionally deleted.

Section 2.04. Termination of Right to Subsequent Advances. Section 2.5 of the Loan Agreement is hereby amended and restated to read as follows:

2.4 Subsequent Advances. Intentionally deleted.

ARTICLE III **Conditions**

Section 3.01. Conditions Precedent. The effectiveness of this Modification is subject to the satisfaction of the following conditions precedent, in form and substance satisfactory to Lender, unless specifically waived in writing by Lender:

(a) Lender shall have received this Modification originally executed and delivered by Borrower;

(b) Lender shall have received an Amended and Restated Promissory Note originally executed and delivered by Borrower;

(c) All corporate and limited liability company proceedings taken in connection with the transactions contemplated by this Modification and all documents, instruments and other legal matters incident thereto, shall be satisfactory to Lender;

(d) No event shall have occurred on or prior to the date hereof and be continuing on such date, and no condition shall exist on such date, which constitutes a Default, Event of Default, or Material Adverse Effect;

(e) The representations and warranties contained herein, in the Loan Agreement, as amended hereby, and in each other Loan Document shall be true and correct in all material respects as of the date hereof, as if made on the date hereof, except to the extent such representations and warranties relate to an earlier date;

(f) Lender shall have received an endorsement to the title policy stating that the coverage afforded thereby shall not be affected because of the extension granted hereunder;

(g) Lender shall have received a fee in the amount of \$3,568.00 and the reimbursement of its expenses and fees associated with this Amendment, together with all reasonable attorneys' fees and costs of Lender; and

(h) Lender shall have received such other documents, instruments or certificates as Lender and its counsel may reasonably require, including such documents as Lender in its sole discretion deems necessary or appropriate to effectuate the terms and conditions of this Modification and the Loan Documents.

ARTICLE IV **Ratifications, Representations and Warranties**

Section 4.01. Ratifications. The terms and provisions set forth in this Modification shall modify and supersede all inconsistent terms and provisions set forth in the Loan Agreement and the other Loan Documents, and, except as expressly modified and superseded by this Modification, the terms and

provisions of the Loan Agreement and the other Loan Documents are ratified and confirmed and shall continue in full force and effect. The Loan Agreement and the other Loan Documents, as amended, shall continue to be legal, valid, binding and enforceable in accordance with their respective terms.

Section 4.02. Representations and Warranties. Borrower hereby represents and warrants to Lender as follows:

(a) the execution, delivery and performance of this Modification and any and all other Loan Documents executed and/or delivered in connection herewith have been authorized by all requisite action on the part of Borrower and do not and will not conflict with or violate any provision of any applicable law, the certificate of formation, partnership agreement or other organizational documents of Borrower, or any agreement, document, judgment, license, order or permit applicable to or binding upon any of the Borrower or the Property; no consent, approval, authorization or order of and no notice to or filing with, any court or governmental authority or third person is required in connection with the execution, delivery or performance of this Modification or to consummate the transactions contemplated hereby;

(b) the representations and warranties contained in the Loan Agreement and in each of the other Loan Documents, as amended, are true and correct in all material respects on and as of the date hereof as though made on and as of the date hereof, except to the extent such representations and warranties relate to an earlier date;

(c) Borrower is in material compliance with all covenants and agreements contained in the Loan Agreement and in each of the other Loan Documents, as amended; and

(d) Borrower acknowledges and agrees that Lender is in material compliance with all covenants and agreements contained in the Loan Agreement and in each of the other Loan Documents, as amended.

Section 4.03. Modification. Borrower acknowledges and agrees that (a) this Modification shall not constitute a novation or otherwise extinguish the Indebtedness evidenced by the Loan Agreement or the other Loan Documents, as amended; (b) the Indebtedness shall be paid in accordance with the terms and conditions of the Loan Agreement and the other Loan Documents, as amended; and (c) Borrower has no right of offset, defense, or counterclaim to the payment and performance of the Indebtedness and Obligations under the Loan Agreement or any other Loan Document, as amended. Borrower hereby acknowledges, ratifies, reaffirms, grants, and re-grants to Lender a first priority, perfected lien and security interest in the Property to secure the payment and performance of the Indebtedness and Obligations, which security interest is and shall remain in full force and effect and binding on Borrower.

ARTICLE V **Miscellaneous**

Section 5.01. Survival of Representations and Warranties. All representations and warranties made in this Modification, the Loan Agreement or any other document or documents relating thereto, including, without limitation, any Loan Document furnished in connection with this Modification, shall survive the execution and delivery of this Modification and the other Loan Documents, and no investigation by Lender or any closing shall affect the representations and warranties or the right of Lender to rely upon them.

Section 5.02. Reference to Loan Agreement and the Other Loan Documents. Each of the Loan Documents, including the Loan Agreement and any and all other agreements, documents or instruments

now or hereafter executed and delivered pursuant to the terms hereof or pursuant to the terms of the Loan Agreement and the other Loan Documents, as amended hereby, are hereby amended so that any reference in such Loan Documents to the Loan Agreement or any other Loan Document shall mean a reference to the Loan Agreement and the other Loan Documents as amended hereby or of even date herewith, and as may be further amended from time to time.

Section 5.03. Expenses of Lender. As provided in the Loan Agreement, Borrower agrees to pay on demand all reasonable costs and expenses incurred by Lender in connection with the preparation, negotiation and execution of this Modification and the other Loan Documents executed pursuant hereto and any and all amendments, modifications, and supplements hereto, including, without limitation, the reasonable costs and fees of Lender's legal counsel, and all reasonable costs and expenses incurred by Lender in connection with the enforcement or preservation of any rights under the Loan Agreement or any other Loan Document.

Section 5.04. RELEASE. BORROWER HEREBY ACKNOWLEDGES THAT IT HAS NO DEFENSE, COUNTERCLAIM, OFFSET, CROSS-COMPLAINT, CLAIM OR DEMAND OF ANY KIND OR NATURE WHATSOEVER THAT CAN BE ASSERTED TO REDUCE OR ELIMINATE ALL OR ANY PART OF ITS LIABILITY TO PAY AND PERFORM THE INDEBTEDNESS AND OBLIGATIONS UNDER THE LOAN DOCUMENTS OR TO SEEK AFFIRMATIVE RELIEF OR DAMAGES OF ANY KIND OR NATURE FROM THE LENDER. BORROWER HEREBY VOLUNTARILY AND KNOWINGLY RELEASES AND FOREVER DISCHARGES THE LENDER, ITS PREDECESSORS, AGENTS, EMPLOYEES, SUCCESSORS AND ASSIGNS (COLLECTIVELY, THE "RELEASED PARTIES"), FROM ALL POSSIBLE CLAIMS, DEMANDS, ACTIONS, CAUSES OF ACTION, DAMAGES, COSTS, EXPENSES, AND LIABILITIES WHATSOEVER, KNOWN OR UNKNOWN, ANTICIPATED OR UNANTICIPATED, SUSPECTED OR UNSUSPECTED, FIXED, CONTINGENT, OR CONDITIONAL, AT LAW OR IN EQUITY, ORIGINATING IN WHOLE OR IN PART ON OR BEFORE THE DATE THIS MODIFICATION IS EXECUTED, WHICH THE BORROWER MAY NOW OR HEREAFTER HAVE AGAINST THE RELEASED PARTIES (OR ANY OF THEM), IF ANY, AND IRRESPECTIVE OF WHETHER ANY SUCH CLAIMS ARISE OUT OF CONTRACT, TORT, VIOLATION OF LAW OR REGULATIONS, OR OTHERWISE, AND ARISING FROM ANY OF THE INDEBTEDNESS OR OBLIGATIONS, INCLUDING, WITHOUT LIMITATION, ANY CONTRACTING FOR, CHARGING, TAKING, RESERVING, COLLECTING OR RECEIVING INTEREST IN EXCESS OF THE HIGHEST LAWFUL RATE APPLICABLE, THE EXERCISE OF ANY RIGHTS AND REMEDIES UNDER THE LOAN AGREEMENT, AS AMENDED, OR OTHER LOAN DOCUMENTS, AS AMENDED, AND NEGOTIATION FOR AND EXECUTION OF THIS MODIFICATION (COLLECTIVELY, THE "RELEASED CLAIMS"). **WITHOUT LIMITING ANY PROVISION OF THIS MODIFICATION OR ANY OTHER LOAN DOCUMENT, IT IS THE EXPRESS INTENTION OF THE PARTIES HERETO THAT THE RELEASED CLAIMS INCLUDE ALL POSSIBLE CLAIMS, DEMANDS, ACTIONS, CAUSES OF ACTION, DAMAGES, COSTS, EXPENSES, AND LIABILITIES WHATSOEVER (INCLUDING ATTORNEYS' FEES) ARISING OUT OF OR RESULTING FROM THE SOLE CONTRIBUTORY OR ORDINARY NEGLIGENCE OF THE RELEASED PARTIES (OR ANY ONE OF THEM).**

Section 5.05. Severability. Any provision of this Modification held by a court of competent jurisdiction to be invalid or unenforceable shall not impair or invalidate the remainder of this Modification and the effect thereof shall be confined to the provision so held to be invalid or unenforceable in such jurisdiction.

Section 5.06. APPLICABLE LAW. THIS MODIFICATION AND THE OTHER LOAN DOCUMENTS SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE

LAWS OF THE STATE OF TEXAS APPLICABLE TO AGREEMENTS MADE AND TO BE PERFORMED ENTIRELY WITHIN SUCH STATE; PROVIDED THAT THE LENDER SHALL RETAIN ALL RIGHTS ARISING UNDER FEDERAL LAW.

Section 5.07. Successors and Assigns. This Modification is binding upon and shall inure to the benefit of the Lender, the Borrower, and their respective successors and assigns, except the Borrower may not assign or transfer any of its rights or obligations hereunder without the prior written consent of Lender.

Section 5.08. Counterparts; Facsimiles. This Modification may be executed in one or more counterparts, each of which when so executed shall be deemed to be an original, but all of which when taken together shall constitute one and the same instrument. If this Modification or any document executed in connection with the Loan is transmitted by telecopy, emailed “.pdf,” “.tif,” or any other electronic means that reproduces an image of the actual executed signature page it shall be effective as delivery of a manually executed counterpart of such document and shall constitute a covenant to deliver an executed original counterpart, but the failure to do so shall not affect the validity, enforceability and binding effect of such document. The words “execution,” “signed,” “signature,” “delivery,” and words of like import in or relating to any document to be signed in connection with the Loan and the transactions contemplated thereby shall be deemed to include electronic signatures, deliveries or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

Section 5.09. Further Assurances. Borrower shall execute and deliver, or cause to be executed and delivered, to the Lender such documents and agreements, and shall take or cause to be taken such actions as the Lender may, from time to time, reasonably request to carry out the terms of this Modification and the other Loan Documents.

Section 5.10. Headings. The headings, captions, and arrangements used in this Modification are for convenience only and shall not affect the interpretation of this Modification.

Section 5.11. ENTIRE AGREEMENT. THIS MODIFICATION, THE LOAN AGREEMENT, THE NOTE, AND THE OTHER LOAN DOCUMENTS, EACH AS AMENDED, REPRESENT THE ENTIRE AGREEMENT AMONG THE PARTIES RELATED TO THE SUBJECT MATTER HEREOF AND THEREOF AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

Section 5.12. Modification as a Loan Document. This Modification constitutes a Loan Document and any failure of the Borrower to comply with the terms and conditions of this Modification shall result in an Event of Default under the Loan Agreement.

IN WITNESS WHEREOF, the parties have executed this Modification to be effective as of the date first written above.

BORROWER:

INNOVATIVE FOOD HOLDINGS, INC.,
a Florida corporation

By: /s/ Richard Tang
Richard Tang, Chief Financial Officer

INNOVATIVE FOOD PROPERTIES, LLC,
a Delaware limited liability company

By INNOVATIVE FOOD HOLDINGS, INC.,
a Florida corporation,
its sole member

By: /s/ Richard Tang
Richard Tang, Chief Financial Officer

LENDER:

MAPLEMARK BANK

By: /s/ Kendall Scott
Kendall Scott, Senior Vice President

AMENDED AND RESTATED PROMISSORY NOTE

\$356,800

Effective Date: May 27, 2023

FOR VALUE RECEIVED, INNOVATIVE FOOD HOLDINGS, INC., a Florida corporation, and INNOVATIVE FOOD PROPERTIES, LLC, a Delaware limited liability company (collectively, the "Borrower"), having an address at 28411 Race Track Road, Bonita Springs, FL 34135, hereby promises to pay to the order of MAPLEMARK BANK (together with its successors and assigns and any subsequent holders of this Amended and Restated Promissory Note, the "Lender"), as hereinafter provided, the principal sum of THREE HUNDRED FIFTY SIX THOUSAND EIGHT HUNDRED AND 00/100 DOLLARS (\$356,800), together with interest thereon at the Note Rate (as hereinafter defined), and otherwise in strict accordance with the terms and provisions hereof. This Amended and Restated Promissory Note is a Note evidencing the Loan under the Loan Agreement.

**ARTICLE I
DEFINITIONS**

Section 1.1. Definitions. As used in this Amended and Restated Promissory Note, the following terms shall have the following meanings:

Applicable Rate: 6.64% per annum.

Borrower: As identified in the introductory paragraph of this Note.

Business Day: A weekday, Monday through Friday, except a legal holiday or a day on which banking institutions in Dallas, Texas are authorized or required by law to be closed. Unless otherwise provided, the term "days" when used herein shall mean calendar days.

Charges: All fees, charges and/or any other things of value, if any, contracted for, charged, taken, received or reserved by Lender in connection with the transactions relating to this Note and the other Loan Documents, which are treated as interest under applicable law.

Debtor Relief Laws: Title 11 of the United States Code, as now or hereafter in effect, or any other applicable law, domestic or foreign, as now or hereafter in effect, relating to bankruptcy, insolvency, liquidation, receivership, reorganization, arrangement or composition, extension or adjustment of debts, or similar laws affecting the rights of creditors.

Default Rate: A rate per annum equal to the Note Rate plus five percent (5%), but in no event in excess of the Maximum Lawful Rate.

Event of Default: Any event or occurrence described under Section 3.1 hereof.

Lender: As identified in the introductory paragraph of this Note.

Loan Agreement: That certain Loan Agreement dated as of June 6, 2022 executed by Borrower and Lender, as may be amended, restated, supplemented or otherwise modified from time to time.

Loan Documents: As defined in the Loan Agreement.

Maturity Date: May 27, 2033.

Maximum Lawful Rate: The maximum lawful rate of interest which may be contracted for, charged, taken, received or reserved by Lender in accordance with the applicable laws of the State of Texas (or applicable United States federal law to the extent that such law permits Lender to contract for,

charge, take, receive or reserve a greater amount of interest than under Texas law), taking into account all Charges made in connection with the transaction evidenced by this Note and the other Loan Documents.

Note: This Amended and Restated Promissory Note as may be amended, restated, renewed or extended from time to time.

Note Rate: The rate equal to the lesser of (a) the Maximum Lawful Rate and (b) the Applicable Rate.

Payment Date: The first day of each and every calendar month during the term of this Note.

Related Indebtedness: Any and all indebtedness paid or payable by Borrower to Lender pursuant to the Loan Documents or any other communication or writing by or between Borrower and Lender related to the transaction or transactions that are the subject matter of the Loan Documents, except such indebtedness which has been paid or is payable by Borrower to Lender under this Note.

Any capitalized term used in this Note and not otherwise defined herein shall have the meaning ascribed to each such term in the Loan Agreement. All terms used herein, whether or not defined in Section 1.1 hereof, and whether used in singular or plural form, shall be deemed to refer to the object of such term whether such is singular or plural in nature, as the context may suggest or require. All personal pronouns used herein, whether used in the masculine, feminine or neuter gender, shall include all other genders; the singular shall include the plural and vice versa. Definitions contained herein or in the other Loan Documents which identify documents, instruments or agreements shall be deemed to include all amendments, modifications and supplements to such documents, instruments or agreements and all future amendments, modifications, and supplements thereto entered into from time to time.

ARTICLE II PAYMENT TERMS

Section 2.1. Payment of Principal and Interest. Installments of principal and accrued interest each in the amount of \$2,311.34 shall be due and payable on each Payment Date, commencing June 1, 2023 and continuing on each Payment Date thereafter. The outstanding principal balance of this Note and any and all accrued but unpaid interest hereon shall be due and payable in full on the Maturity Date or upon the earlier maturity hereof, whether by acceleration or otherwise. No principal amount repaid may be reborrowed. The unpaid principal balance of this Note at any time shall be the total amount advanced hereunder by Lender less the amount of principal payments made hereon by or for Borrower, which balance may be endorsed hereon from time to time by Lender or otherwise noted in Lender's records, which notations shall be, absent manifest error, conclusive evidence of the amounts owing hereunder from time to time.

Section 2.2. Application. Except as expressly provided herein to the contrary, all payments on this Note shall be applied in the following order of priority: (i) the payment or reimbursement of any expenses, costs or obligations (other than the outstanding principal balance hereof and interest hereon) for which either Borrower shall be obligated or Lender shall be entitled pursuant to the provisions of this Note or the other Loan Documents, (ii) the payment of accrued but unpaid interest hereon, and (iii) the payment of all or any portion of the principal balance hereof then outstanding hereunder, in the direct order of maturity. If an Event of Default exists under this Note or under any of the other Loan Documents, then Lender may, at the sole option of Lender, apply any such payments, at any time and from time to time, to any of the items specified in clauses (i), (ii) or (iii) above without regard to the order of priority otherwise specified in this Section 2.2 and any application to the outstanding principal balance hereof may be made in either direct or inverse order of maturity.

Section 2.3. Payments. All payments under this Note made to Lender shall be made in immediately available funds at 4143 Maple Avenue, Suite 100, Dallas, Texas 75219 (or at such other place as Lender, in Lender's sole discretion, may have established by delivery of written notice thereof to Borrower from time to time), without offset, in lawful money of the United States of America, which shall at the time of payment be legal tender in payment of all debts and dues, public and private. Payments by check or draft shall not constitute payment in immediately available funds until the required amount is actually received by Lender in full. Payments in immediately available funds received by Lender in the place designated for payment on a Business Day prior to 3:00 p.m. Dallas, Texas time at said place of payment shall be credited prior to the close of business on the Business Day received, while payments received by Lender on a day other than a Business Day or after 3:00 p.m. Dallas, Texas time on a Business Day shall not be credited until the next succeeding Business Day. If any payment of principal or interest on this Note shall become due and payable on a day other than a Business Day, such payment shall be made on the next succeeding Business Day. Any such extension of time for payment shall be included in computing interest which has accrued and shall be payable in connection with such payment. Borrower has elected to authorize the Lender to effect payment of sums due under this Note by means of debiting the Borrower's account or accounts at Lender. This authorization shall not affect the obligation of the Borrower to pay such sums when due, without notice, if there are insufficient funds in such account or accounts to make such payment in full on the due date thereof, or if the Lender fails, or elects in its discretion not, to debit such account or accounts.

Section 2.4. Computation Period. Interest on the indebtedness evidenced by this Note shall be computed on the basis of a three hundred sixty (360) day year and shall accrue on the actual number of days elapsed for any whole or partial month in which interest is being calculated. In computing the number of days during which interest accrues, the day on which funds are initially advanced shall be included regardless of the time of day such advance is made, and the day on which funds are repaid shall be included unless repayment is credited prior to the close of business on the Business Day received as provided in Section 2.3 hereof..

Section 2.5. Prepayment. Borrower shall have the right to prepay, at any time and from time to time upon at least five (5) Business Days prior written notice to Lender, without fee, premium or penalty, all or any portion of the outstanding principal balance hereof; provided, however, that such prepayment shall also include any and all accrued but unpaid interest on the amount of principal being so repaid through and including the date of prepayment, plus any other sums which have become due to Lender under the other Loan Documents on or before the date of prepayment, but which have not been fully paid. Borrower agrees that all fees and other prepaid finance charges are fair and reasonable and are earned fully when due and are not subject to refund upon early payment (whether voluntarily or involuntarily), except as otherwise required by law. Prepayments of principal shall be applied in inverse order of maturity. If at any time, the principal amount hereof exceeds the principal amount stated above, Borrower shall immediately make a payment to Lender in an amount of not less than such excess.

Section 2.6. Unconditional Payment. Borrower is and shall be obligated to pay all principal, interest and any and all other amounts which become payable under this Note or under any of the other Loan Documents absolutely and unconditionally and without any abatement, postponement, diminution or deduction whatsoever and without any reduction for counterclaim or setoff whatsoever. If at any time any payment received by Lender hereunder shall be deemed by a court of competent jurisdiction to have been a voidable preference or fraudulent conveyance under any Debtor Relief Law, then the obligation to make such payment shall survive any cancellation or satisfaction of this Note or return thereof to Borrower and shall not be discharged or satisfied with any prior payment thereof or cancellation of this Note, but shall remain a valid and binding obligation enforceable in accordance with the terms and provisions hereof, and such payment shall be immediately due and payable upon demand.

Section 2.7. Partial or Incomplete Payments. Remittances in payment of any part of this Note other than in the required amount in immediately available funds at the place where this Note is payable

shall not, regardless of any receipt or credit issued therefor, constitute payment until the required amount is actually received by Lender in full in accordance herewith and shall be made and accepted subject to the condition that any check or draft may be handled for collection in accordance with the practice of the collecting bank or banks. Acceptance by Lender of any payment in an amount less than the full amount then due shall be deemed an acceptance on account only, and the failure to pay the entire amount then due shall be and continue to be an Event of Default in the payment of this Note.

Section 2.8. Default Rate, etc. For so long as any Event of Default exists under this Note or under any of the other Loan Documents, regardless of whether or not there has been an acceleration of the indebtedness evidenced by this Note, and at all times after the maturity of the indebtedness evidenced by this Note (whether by acceleration or otherwise), and in addition to all other rights and remedies of Lender hereunder, interest shall accrue on the outstanding principal balance hereof at the Default Rate, and such accrued interest shall be immediately due and payable. At the option of Lender, Borrower will pay Lender, on demand, (i) a "late charge" equal to five percent (5%) of the amount of any installment on this Note when such installment is not paid within ten (10) days following the date such installment is due and (ii) a processing fee in the amount of \$25.00 for each check which is provided to Lender by Borrower in payment for an obligation owing to Lender under any Loan Document but is returned or dishonored for any reason, in order to cover the additional expenses involved in handling delinquent and returned or dishonored payments. Borrower acknowledges that it would be extremely difficult or impracticable to determine Lender's actual damages resulting from any late payment or Event of Default, and such late charges and accrued interest are reasonable estimates of those damages and do not constitute a penalty.

ARTICLE III EVENT OF DEFAULT AND REMEDIES

Section 3.1. Event of Default. The occurrence or happening, at any time and from time to time, of any one or more of the following shall constitute an "Event of Default" under this Note:

(a) Borrower shall fail, refuse or neglect to pay and satisfy, in full and in the applicable method and manner required, any required payment of principal or interest or any other portion of the indebtedness evidenced by this Note on the date when the same shall become due and payable, whether at the stipulated due date thereof, at a date fixed for payment, or at maturity, by acceleration or otherwise; or

(b) Subject to any applicable notice, cure and/or grace periods, the occurrence of any other Default, breach or Event of Default as defined in or under this Note, the Loan Agreement or any other Loan Document that remains uncured under and pursuant to the provisions of this Note, the Loan Agreement or any other Loan Document.

Section 3.2. Remedies. Upon the occurrence of an Event of Default, Lender shall have the immediate right, at the sole discretion of Lender and without notice, demand, presentment, notice of nonpayment or nonperformance, protest, notice of protest, notice of intent to accelerate, notice of acceleration, or any other notice or any other action (**ALL OF WHICH BORROWER HEREBY EXPRESSLY WAIVES AND RELINQUISHES**) (i) to declare the entire unpaid balance of the indebtedness evidenced by this Note (including, without limitation, the outstanding principal balance hereof, including all sums advanced or accrued hereunder or under any other Loan Document, and all accrued but unpaid interest thereon) at once immediately due and payable (and upon such declaration, the same shall be at once immediately due and payable) and may be collected forthwith, whether or not there has been a prior demand for payment and regardless of the stipulated date of maturity, (ii) to foreclose any liens and security interests securing payment hereof or thereof (including, without limitation, any liens and security interests), and (iii) to exercise any of Lender's other rights, powers, recourses and remedies under this Note, under any other Loan Document, or at law or in equity, and the same (w) shall be cumulative and concurrent, (x) may be pursued separately, singly, successively, or concurrently

against Borrower or others obligated for the repayment of this Note or any part hereof, or against any one or more of them, or against the Property at the sole discretion of Lender, (y) may be exercised as often as occasion therefor shall arise, it being agreed by Borrower that the exercise, discontinuance of the exercise of or failure to exercise any of the same shall in no event be construed as a waiver or release thereof or of any other right, remedy, or recourse, and (z) are intended to be, and shall be, nonexclusive. All rights and remedies of Lender hereunder and under the other Loan Documents shall extend to any period after the initiation of foreclosure proceedings, judicial or otherwise. Without limiting the provisions of Section 4.17 hereof, if this Note, or any part hereof, is collected by or through an attorney-at-law, Borrower agrees to pay all costs and expenses of collection, including, but not limited to, Lender's reasonable attorneys' fees, whether or not any legal action shall be instituted to enforce this Note. This Note is also subject to acceleration as provided in the Loan Agreement.

ARTICLE IV GENERAL PROVISIONS

Section 4.1. No Waiver; Amendment. No failure to accelerate the indebtedness evidenced by this Note by reason of an Event of Default hereunder, acceptance of a partial or past due payment, or indulgences granted from time to time shall be construed (i) as a novation of this Note or as a reinstatement of the indebtedness evidenced by this Note or as a waiver of such right of acceleration or of the right of Lender thereafter to insist upon strict compliance with the terms of this Note, or (ii) to prevent the exercise of such right of acceleration or any other right granted under this Note, under any of the other Loan Documents or by any applicable laws. Borrower hereby expressly waives and relinquishes the benefit of any statute or rule of law or equity now provided, or which may hereafter be provided, which would produce a result contrary to or in conflict with the foregoing. The failure to exercise any remedy available to Lender shall not be deemed to be a waiver of any rights or remedies of Lender under this Note or under any of the other Loan Documents, or at law or in equity. No extension of the time for the payment of this Note or any installment due hereunder, made by agreement with any person now or hereafter liable for the payment of this Note, shall operate to release, discharge, modify, change or affect the original liability of Borrower under this Note, either in whole or in part, unless Lender specifically, unequivocally and expressly agrees otherwise in writing. This Note may not be changed orally, but only by an agreement in writing signed by the party against whom enforcement of any waiver, change, or modification is sought.

Section 4.2. Waivers. EXCEPT AS SPECIFICALLY PROVIDED IN THE LOAN DOCUMENTS TO THE CONTRARY, BORROWER AND ANY ENDORSERS OR GUARANTORS HEREOF SEVERALLY WAIVE AND RELINQUISH PRESENTMENT FOR PAYMENT, DEMAND, NOTICE OF NONPAYMENT OR NONPERFORMANCE, PROTEST, NOTICE OF PROTEST, NOTICE OF INTENT TO ACCELERATE, NOTICE OF ACCELERATION OR ANY OTHER NOTICES OR ANY OTHER ACTION. BORROWER AND ANY ENDORSERS OR GUARANTORS HEREOF SEVERALLY WAIVE AND RELINQUISH, TO THE FULLEST EXTENT PERMITTED BY LAW, ALL RIGHTS TO THE BENEFITS OF ANY MORATORIUM, REINSTATEMENT, MARSHALING, FORBEARANCE, VALUATION, STAY, EXTENSION, REDEMPTION, APPRAISEMENT, EXEMPTION AND HOMESTEAD NOW OR HEREAFTER PROVIDED BY THE CONSTITUTION AND LAWS OF THE UNITED STATES OF AMERICA AND OF EACH STATE THEREOF, BOTH AS TO ITSELF AND IN AND TO ALL OF ITS PROPERTY, REAL AND PERSONAL, AGAINST THE ENFORCEMENT AND COLLECTION OF THE OBLIGATIONS EVIDENCED BY THIS NOTE OR BY THE OTHER LOAN DOCUMENTS.

Section 4.3. Interest Provisions.

(a) Savings Clause. It is expressly stipulated and agreed to be the intent of Borrower and Lender at all times to comply strictly with the applicable Texas law governing the maximum rate or amount of interest payable on the indebtedness evidenced by this Note and the Related

Indebtedness (or applicable United States federal law to the extent that it permits Lender to contract for, charge, take, reserve or receive a greater amount of interest than under Texas law). If the applicable law is ever judicially interpreted so as to render usurious any amount (i) contracted for, charged, taken, reserved or received pursuant to this Note, any of the other Loan Documents or any other communication or writing by or between Borrower and Lender related to the transaction or transactions that are the subject matter of the Loan Documents, (ii) contracted for, charged, taken, reserved or received by reason of Lender's exercise of the option to accelerate the maturity of this Note and/or the Related Indebtedness, or (iii) Borrower will have paid or Lender will have received by reason of any voluntary prepayment by Borrower of this Note and/or the Related Indebtedness, then it is Borrower's and Lender's express intent that all amounts charged in excess of the Maximum Lawful Rate shall be automatically canceled, *ab initio*, and all amounts in excess of the Maximum Lawful Rate theretofore collected by Lender shall be credited on the principal balance of this Note and/or the Related Indebtedness (or, if this Note and all Related Indebtedness have been or would thereby be paid in full, refunded to Borrower), and the provisions of this Note and the other Loan Documents shall immediately be deemed reformed and the amounts thereafter collectible hereunder and thereunder reduced, without the necessity of the execution of any new document, so as to comply with the applicable law, but so as to permit the recovery of the fullest amount otherwise called for hereunder and thereunder; provided, however, if this Note has been paid in full before the end of the stated term of this Note, then Borrower and Lender agree that Lender shall, with reasonable promptness after Lender discovers or is advised by Borrower that interest was received in an amount in excess of the Maximum Lawful Rate, either refund such excess interest to Borrower and/or credit such excess interest against this Note and/or any Related Indebtedness then owing by Borrower to Lender. Borrower hereby agrees that as a condition precedent to any claim seeking usury penalties against Lender, Borrower will provide written notice to Lender, advising Lender in reasonable detail of the nature and amount of the violation, and Lender shall have sixty (60) days after receipt of such notice in which to correct such usury violation, if any, by either refunding such excess interest to Borrower or crediting such excess interest against this Note and/or the Related Indebtedness then owing by Borrower to Lender. All sums contracted for, charged, taken, reserved or received by Lender for the use, forbearance or detention of any debt evidenced by this Note and/or the Related Indebtedness shall, to the extent permitted by applicable law, be amortized or spread, using the actuarial method, throughout the stated term of this Note and/or the Related Indebtedness (including any and all renewal and extension periods) until payment in full so that the rate or amount of interest on account of this Note and/or the Related Indebtedness does not exceed the Maximum Lawful Rate from time to time in effect and applicable to this Note and/or the Related Indebtedness for so long as debt is outstanding. In no event shall the provisions of Chapter 346 of the Texas Finance Code (which regulates certain revolving credit loan accounts and revolving triparty accounts) apply to this Note and/or any of the Related Indebtedness. Notwithstanding anything to the contrary contained herein or in any of the other Loan Documents, it is not the intention of Lender to accelerate the maturity of any interest that has not accrued at the time of such acceleration or to collect unearned interest at the time of such acceleration.

(b) Ceiling Election. To the extent that Lender is relying on Chapter 303 of the Texas Finance Code to determine the Maximum Lawful Rate payable on the Note and/or any other portion of the Indebtedness, Lender will utilize the weekly ceiling from time to time in effect as provided in such Chapter 303, as amended. To the extent United States federal law permits Lender to contract for, charge, take, receive or reserve a greater amount of interest than under Texas law, Lender will rely on United States federal law instead of such Chapter 303 for the purpose of determining the Maximum Lawful Rate. Additionally, to the extent permitted by applicable law now or hereafter in effect, Lender may, at its option and from time to time, utilize any other method of establishing the Maximum Lawful Rate under such Chapter 303 or under

other applicable law by giving notice, if required, to Borrower as provided by applicable law now or hereafter in effect.

Section 4.4. Use of Funds. Borrower hereby warrants, represents and covenants that (i) the loan evidenced by this Note is made to Borrower solely for the purpose of acquiring or carrying on a business or commercial enterprise, (ii) all proceeds of this Note shall be used only for business and commercial purposes, and (iii) no funds disbursed hereunder shall be used for personal, family, agricultural or household purposes.

Section 4.5. Further Assurances and Corrections. From time to time, at the written request of Lender, Borrower will (i) promptly correct any defect, error or omission which may be discovered in the contents of this Note or in any other Loan Document or in the execution or acknowledgment thereof; (ii) execute, acknowledge, deliver, record and/or file (or cause to be executed, acknowledged, delivered, recorded and/or filed) such further documents and instruments (including, without limitation, further deeds of trust, security agreements, financing statements, continuation statements and assignments of rents) and perform such further acts and provide such further assurances as may be necessary, desirable, or proper, in Lender's opinion, (A) to carry out more effectively the purposes of this Note and the Loan Documents and the transactions contemplated hereunder and thereunder, (B) to confirm the rights created under this Note and the other Loan Documents, (C) to protect and further the validity, priority and enforceability of this Note and the other Loan Documents and the liens and security interests created thereby, and (D) to subject to the Loan Documents any property of Borrower intended by the terms of any one or more of the Loan Documents to be encumbered by the Loan Documents; and (iii) pay all costs in connection with any of the foregoing.

Section 4.6. Waiver of Jury Trial. BORROWER, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, HEREBY KNOWINGLY, INTENTIONALLY, IRREVOCABLY, UNCONDITIONALLY AND VOLUNTARILY, WITH AND UPON THE ADVICE OF COMPETENT COUNSEL, WAIVES, RELINQUISHES AND FOREVER FORGOES THE RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING BASED UPON, ARISING OUT OF, OR IN ANY WAY RELATING TO THIS NOTE OR ANY CONDUCT, ACT OR OMISSION OF LENDER OR BORROWER, OR ANY OF THEIR DIRECTORS, OFFICERS, PARTNERS, MEMBERS, EMPLOYEES, AGENTS OR ATTORNEYS, OR ANY OTHER PERSONS AFFILIATED WITH LENDER OR BORROWER, IN EACH OF THE FOREGOING CASES, WHETHER SOUNDING IN CONTRACT, TORT OR OTHERWISE.

Section 4.7. Governing Law; Submission to Jurisdiction. This Note is executed and delivered as an incident to a lending transaction negotiated and consummated in Dallas County, Texas, and shall be governed by and construed in accordance with the laws of the State of Texas. Borrower, for itself and its successors and assigns, hereby irrevocably (i) submits to the nonexclusive jurisdiction of the state and federal courts in Texas, (ii) waives, to the fullest extent permitted by law, any objection that it may now or in the future have to the laying of venue of any litigation arising out of or in connection with this Note or any Loan Document brought in Dallas County, Texas, (iii) waives any objection it may now or hereafter have as to the venue of any such action or proceeding brought in such court or that such court is an inconvenient forum, and (iv) agrees that any legal proceeding against any party to any of the Loan Documents arising out of or in connection with any of the Loan Documents may be brought in one of the foregoing courts. Borrower hereby agrees that service of process upon Borrower may be made by certified or registered mail, return receipt requested, at its address specified herein. Nothing herein shall affect the right of Lender to serve process in any other manner permitted by law or shall limit the right of Lender to bring any action or proceeding against Borrower or with respect to any of Borrower's property in courts in other jurisdictions. The scope of each of the foregoing waivers is intended to be all encompassing of any and all disputes that may be filed in any court and that relate to the subject matter of this transaction, including, without limitation, contract claims, tort claims, breach of duty claims, and all other common law and statutory claims. Borrower acknowledges that these waivers are a material

inducement to Lender's agreement to enter into the agreements and obligations evidenced by the Loan Documents, that Lender has already relied on these waivers and will continue to rely on each of these waivers in related future dealings. The waivers in this Section 4.7 are irrevocable, meaning that they may not be modified either orally or in writing, and these waivers apply to any future renewals, extensions, amendments, modifications, or replacements in respect of any and all of the applicable Loan Documents. In connection with any litigation, this Note may be filed as a written consent to a trial by the court.

Section 4.8. Counting of Days. If any time period referenced hereunder ends on a day other than a Business Day, such time period shall be deemed to end on the next succeeding Business Day.

Section 4.9. Relationship of the Parties. Notwithstanding any prior business or personal relationship between Borrower and Lender, or any officer, director or employee of Lender, that may exist or have existed, the relationship between Borrower and Lender is solely that of debtor and creditor, Lender has no fiduciary or other special relationship with Borrower, Borrower and Lender are not partners or joint venturers, and no term or condition of any of the Loan Documents shall be construed so as to deem the relationship between Borrower and Lender to be other than that of debtor and creditor.

Section 4.10. Successors and Assigns. The terms and provisions hereof shall be binding upon and inure to the benefit of Borrower and Lender and their respective heirs, executors, legal representatives, successors, successors-in-title and assigns, whether by voluntary action of the parties, by operation of law or otherwise, and all other persons claiming by, through or under them. The terms "Borrower" and "Lender" as used hereunder shall be deemed to include their respective heirs, executors, legal representatives, successors, successors-in-title and assigns, whether by voluntary action of the parties, by operation of law or otherwise, and all other persons claiming by, through or under them.

Section 4.11. Time is of the Essence. Time is of the essence with respect to all provisions of this Note and the other Loan Documents.

Section 4.12. Headings. The Article, Section, and Subsection entitlements hereof are inserted for convenience of reference only and shall in no way alter, modify, define, limit, amplify or be used in construing the text, scope or intent of such Articles, Sections, or Subsections or any provisions hereof.

Section 4.13. Controlling Agreement. In the event of any conflict between the provisions of this Note and the Loan Agreement, it is the intent of the parties hereto that the provisions of the Loan Agreement shall control. In the event of any conflict between the provisions of this Note and any of the other Loan Documents (other than the Loan Agreement), it is the intent of the parties hereto that the provisions of this Note shall control. The parties hereto acknowledge that they were represented by competent counsel in connection with the negotiation, drafting and execution of this Note and the other Loan Documents and that this Note and the other Loan Documents shall not be subject to the principle of construing their meaning against the party which drafted same.

Section 4.14. Notices. All notices or other communications required or permitted to be given pursuant to this Note shall be in writing and shall be considered as properly given if given in accordance with the terms of the Loan Agreement.

Section 4.15. Severability. If any provision of this Note or the application thereof to any person or circumstance shall, for any reason and to any extent, be invalid or unenforceable, then neither the remainder of this Note nor the application of such provision to other persons or circumstances nor the other instruments referred to herein shall be affected thereby, but rather shall be enforced to the greatest extent permitted by applicable law.

Section 4.16. Right of Setoff. In addition to all liens upon and rights of setoff against the money, securities, or other property of Borrower given to Lender that may exist under applicable law,

Lender shall have and Borrower hereby grants to Lender a lien upon and a right of setoff against all money, securities, and other property of Borrower, now or hereafter in possession of or on deposit with Lender, whether held in a general or special account or deposit, for safe-keeping or otherwise, and every such lien and right of setoff may be exercised without demand upon or notice to Borrower. No lien or right of setoff shall be deemed to have been waived by any act or conduct on the part of Lender, or by any neglect to exercise such right of setoff or to enforce such lien, or by any delay in so doing, and every right of setoff and lien shall continue in full force and effect until such right of setoff or lien is specifically waived or released by an instrument in writing executed by Lender.

Section 4.17. Costs of Collection. If any holder of this Note retains an attorney-at-law in connection with any Event of Default or at maturity or to collect, enforce or defend this Note or any part hereof, or any other Loan Document in any lawsuit or in any probate, reorganization, bankruptcy or other proceeding, or if Borrower sues any holder in connection with this Note or any other Loan Document and does not prevail, then Borrower agrees to pay to each such holder, in addition to the principal balance hereof and all interest hereon, all costs and expenses of collection or incurred by such holder or in any such suit or proceeding, including, but not limited to, reasonable attorneys' fees.

Section 4.18. Statement of Unpaid Balance. At any time and from time to time, Borrower will furnish promptly, upon the request of Lender, a written statement or affidavit, in form satisfactory to Lender, stating the unpaid balance of the indebtedness evidenced by this Note and the Related Indebtedness and that there are no offsets or defenses against full payment of the indebtedness evidenced by this Note and the Related Indebtedness and the terms hereof, or if there are any such offsets or defenses, specifying them.

Section 4.19. Entire Agreement. THIS NOTE AND THE OTHER LOAN DOCUMENTS CONTAIN THE FINAL, ENTIRE AGREEMENT BETWEEN THE PARTIES HERETO RELATING TO THE SUBJECT MATTER HEREOF AND THEREOF AND ALL PRIOR AGREEMENTS, WHETHER WRITTEN OR ORAL, RELATIVE HERETO AND THERETO WHICH ARE NOT CONTAINED HEREIN OR THEREIN ARE SUPERSEDED AND TERMINATED HEREBY, AND THIS NOTE AND THE OTHER LOAN DOCUMENTS MAY NOT BE CONTRADICTED OR VARIED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS OR DISCUSSIONS OF THE PARTIES HERETO. THERE ARE NO UNWRITTEN ORAL AGREEMENTS AMONG THE PARTIES HERETO.

Section 4.20. Renewal, Amendment and Restatement. This Note is a renewal, amendment and restatement, but not an extinguishment or novation, of that certain Amended and Restated Promissory Note, dated February 26, 2023 in the principal amount of \$2,680,000 executed by Borrower and payable to the order of Lender, which was a renewal, amendment and restatement, but not an extinguishment or novation, of that certain Amended and Restated Promissory Note, dated November 28, 2022 in the principal amount of \$2,680,000 executed by Borrower and payable to the order of Lender, and that certain Promissory Note dated June 6, 2022, in the principal amount of \$2,680,000.00 executed by Borrower and payable to the order of Lender.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, Borrower, intending to be legally bound hereby, has duly executed this Note as of the day and year first written above.

BORROWER:

INNOVATIVE FOOD HOLDINGS, INC.,
a Florida corporation

By: /s/ Richard Tang
Richard Tang, Chief Financial Officer

INNOVATIVE FOOD PROPERTIES, LLC,
a Delaware limited liability company

By INNOVATIVE FOOD HOLDINGS, INC.,
a Florida corporation,
its sole member

By: /s/ Richard Tang
Richard Tang, Chief Financial Officer

LOAN MODIFICATION

THIS LOAN MODIFICATION ("Modification"), dated effective as of May 27, 2023, is between INNOVATIVE FOOD HOLDINGS, INC., a Florida corporation ("Borrower"), and MAPLEMARK BANK (together with its successors and assigns, "Lender").

RECITALS

A. Borrower and Lender entered into that certain Loan Agreement, dated as of June 6, 2022 (as may be amended from time to time, "Loan Agreement").

B. Borrower desires to extend the Revolving Termination Date from May 27, 2023 to May 27, 2024.

AGREEMENT

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and confessed, the parties, intending to be legally bound, hereby agree as follows:

ARTICLE I
Recitals and Definitions

Section 1.01. Recitals. The foregoing recitals are hereby incorporated into and made a part of this Modification for all purposes.

Section 1.02. Definitions. Capitalized terms used in this Modification, to the extent not otherwise defined herein, shall have the same meaning as in the Loan Agreement. Definitions contained in the Loan Agreement, as amended hereby, and in the other Loan Documents which identify agreements, instruments or documents shall be deemed to include all amendments and supplements to such agreements, instruments and documents and, without any obligation on the part of Lender to enter into any future amendments, modifications or supplements, all future amendments, modifications, and supplements thereto entered into from time to time.

ARTICLE II
Amendments to Loan Agreement

Section 2.01. Revolving Termination Date. The definition of "Revolving Termination Date" in Section 1.1 of the Loan Agreement is hereby amended and restated to read as follows:

"Revolving Termination Date" means 11:00 A.M. Dallas, Texas time on May 27, 2024, or such earlier date on which the Revolving Commitment terminates as provided in this Agreement.

ARTICLE III
Conditions

Section 3.01. Conditions Precedent. The effectiveness of this Modification is subject to the satisfaction of the following conditions precedent, in form and substance satisfactory to Lender, unless specifically waived in writing by Lender:

(a) Lender shall have received this Modification originally executed and delivered by Borrower;

(b) Lender shall have received an Amended and Restated Promissory Note originally executed and delivered by Borrower;

(c) All corporate proceedings taken in connection with the transactions contemplated by this Modification and all documents, instruments and other legal matters incident thereto, shall be satisfactory to Lender;

(d) No event shall have occurred on or prior to the date hereof and be continuing on such date, and no condition shall exist on such date, which constitutes a Default, Event of Default, or Material Adverse Event;

(e) The representations and warranties contained herein, in the Loan Agreement, as amended hereby, and in each other Loan Document shall be true and correct in all material respects as of the date hereof, as if made on the date hereof, except to the extent such representations and warranties relate to an earlier date;

(f) Lender shall have received such other documents, instruments or certificates as Lender and its counsel may reasonably require, including such documents as Lender in its sole discretion deems necessary or appropriate to effectuate the terms and conditions of this Modification and the Loan Documents.

ARTICLE IV

Ratifications, Representations and Warranties

Section 4.01. Ratifications. The terms and provisions set forth in this Modification shall modify and supersede all inconsistent terms and provisions set forth in the Loan Agreement and the other Loan Documents, and, except as expressly modified and superseded by this Modification, the terms and provisions of the Loan Agreement and the other Loan Documents are ratified and confirmed and shall continue in full force and effect. The Loan Agreement and the other Loan Documents, as amended, shall continue to be legal, valid, binding and enforceable in accordance with their respective terms.

Section 4.02. Representations and Warranties. Borrower hereby represents and warrants to Lender as follows:

(a) the execution, delivery and performance of this Modification and any and all other Loan Documents executed and/or delivered in connection herewith have been authorized by all requisite action on the part of Borrower and do not and will not conflict with or violate any provision of any applicable law, the certificate of formation, partnership agreement or other organizational documents of Borrower, or any agreement, document, judgment, license, order or permit applicable to or binding upon any of the Borrower or the Property; no consent, approval, authorization or order of and no notice to or filing with, any court or governmental authority or third person is required in connection with the execution, delivery or performance of this Modification or to consummate the transactions contemplated hereby;

(b) the representations and warranties contained in the Loan Agreement and in each of the other Loan Documents, as amended, are true and correct in all material respects on and as of the date hereof as though made on and as of the date hereof, except to the extent such representations and warranties relate to an earlier date;

(c) Borrower is in material compliance with all covenants and agreements contained in the Loan Agreement and in each of the other Loan Documents, as amended; and

(d) Borrower acknowledges and agrees that Lender is in material compliance with all covenants and agreements contained in the Loan Agreement and in each of the other Loan Documents, as amended.

Section 4.03. Modification. Borrower acknowledges and agrees that (a) this Modification shall not constitute a novation or otherwise extinguish the Obligations evidenced by the Loan Agreement or the other Loan Documents, as amended; (b) the Obligations shall be paid in accordance with the terms and conditions of the Loan Agreement and the other Loan Documents, as amended; and (c) Borrower has no right of offset, defense, or counterclaim to the payment and performance of the Obligations under the Loan Agreement or any other Loan Document, as amended. Borrower hereby acknowledges, ratifies, reaffirms, grants, and re-grants to Lender a first priority, perfected lien and security interest in the Property to secure the payment and performance of the Obligations, which security interest is and shall remain in full force and effect and binding on Borrower.

ARTICLE V

Miscellaneous

Section 5.01. Survival of Representations and Warranties. All representations and warranties made in this Modification, the Loan Agreement or any other document or documents relating thereto, including, without limitation, any Loan Document furnished in connection with this Modification, shall survive the execution and delivery of this Modification and the other Loan Documents, and no investigation by Lender or any closing shall affect the representations and warranties or the right of Lender to rely upon them.

Section 5.02. Reference to Loan Agreement and the Other Loan Documents. Each of the Loan Documents, including the Loan Agreement and any and all other agreements, documents or instruments now or hereafter executed and delivered pursuant to the terms hereof or pursuant to the terms of the Loan Agreement and the other Loan Documents, as amended hereby, are hereby amended so that any reference in such Loan Documents to the Loan Agreement or any other Loan Document shall mean a reference to the Loan Agreement and the other Loan Documents as amended hereby or of even date herewith, and as may be further amended from time to time.

Section 5.03. Expenses of Lender. As provided in the Loan Agreement, Borrower agrees to pay on demand all reasonable costs and expenses incurred by Lender in connection with the preparation, negotiation and execution of this Modification and the other Loan Documents executed pursuant hereto and any and all amendments, modifications, and supplements hereto, including, without limitation, the reasonable costs and fees of Lender's legal counsel, and all reasonable costs and expenses incurred by Lender in connection with the enforcement or preservation of any rights under the Loan Agreement or any other Loan Document.

Section 5.04. RELEASE. BORROWER HEREBY ACKNOWLEDGES THAT IT HAS NO DEFENSE, COUNTERCLAIM, OFFSET, CROSS-COMPLAINT, CLAIM OR DEMAND OF ANY KIND OR NATURE WHATSOEVER THAT CAN BE ASSERTED TO REDUCE OR ELIMINATE ALL OR ANY PART OF ITS LIABILITY TO PAY AND PERFORM THE OBLIGATIONS UNDER THE LOAN DOCUMENTS OR TO SEEK AFFIRMATIVE RELIEF OR DAMAGES OF ANY KIND OR NATURE FROM THE LENDER. BORROWER HEREBY VOLUNTARILY AND KNOWINGLY RELEASES AND FOREVER DISCHARGES THE LENDER, ITS PREDECESSORS, AGENTS, EMPLOYEES, SUCCESSORS AND ASSIGNS (COLLECTIVELY, THE "RELEASED PARTIES"),

FROM ALL POSSIBLE CLAIMS, DEMANDS, ACTIONS, CAUSES OF ACTION, DAMAGES, COSTS, EXPENSES, AND LIABILITIES WHATSOEVER, KNOWN OR UNKNOWN, ANTICIPATED OR UNANTICIPATED, SUSPECTED OR UNSUSPECTED, FIXED, CONTINGENT, OR CONDITIONAL, AT LAW OR IN EQUITY, ORIGINATING IN WHOLE OR IN PART ON OR BEFORE THE DATE THIS MODIFICATION IS EXECUTED, WHICH THE BORROWER MAY NOW OR HEREAFTER HAVE AGAINST THE RELEASED PARTIES (OR ANY OF THEM), IF ANY, AND IRRESPECTIVE OF WHETHER ANY SUCH CLAIMS ARISE OUT OF CONTRACT, TORT, VIOLATION OF LAW OR REGULATIONS, OR OTHERWISE, AND ARISING FROM ANY OF THE OBLIGATIONS, INCLUDING, WITHOUT LIMITATION, ANY CONTRACTING FOR, CHARGING, TAKING, RESERVING, COLLECTING OR RECEIVING INTEREST IN EXCESS OF THE HIGHEST LAWFUL RATE APPLICABLE, THE EXERCISE OF ANY RIGHTS AND REMEDIES UNDER THE LOAN AGREEMENT, AS AMENDED, OR OTHER LOAN DOCUMENTS, AS AMENDED, AND NEGOTIATION FOR AND EXECUTION OF THIS MODIFICATION (COLLECTIVELY, THE "RELEASED CLAIMS"). **WITHOUT LIMITING ANY PROVISION OF THIS MODIFICATION OR ANY OTHER LOAN DOCUMENT, IT IS THE EXPRESS INTENTION OF THE PARTIES HERETO THAT THE RELEASED CLAIMS INCLUDE ALL POSSIBLE CLAIMS, DEMANDS, ACTIONS, CAUSES OF ACTION, DAMAGES, COSTS, EXPENSES, AND LIABILITIES WHATSOEVER (INCLUDING ATTORNEYS' FEES) ARISING OUT OF OR RESULTING FROM THE SOLE CONTRIBUTORY OR ORDINARY NEGLIGENCE OF THE RELEASED PARTIES (OR ANY ONE OF THEM).**

Section 5.05. Severability. Any provision of this Modification held by a court of competent jurisdiction to be invalid or unenforceable shall not impair or invalidate the remainder of this Modification and the effect thereof shall be confined to the provision so held to be invalid or unenforceable in such jurisdiction.

Section 5.06. APPLICABLE LAW. THIS MODIFICATION AND THE OTHER LOAN DOCUMENTS SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS APPLICABLE TO AGREEMENTS MADE AND TO BE PERFORMED ENTIRELY WITHIN SUCH STATE; PROVIDED THAT THE LENDER SHALL RETAIN ALL RIGHTS ARISING UNDER FEDERAL LAW.

Section 5.07. Successors and Assigns. This Modification is binding upon and shall inure to the benefit of the Lender, the Borrower, and their respective successors and assigns, except the Borrower may not assign or transfer any of its rights or obligations hereunder without the prior written consent of Lender.

Section 5.08. Counterparts; Facsimiles. This Modification may be executed in one or more counterparts, each of which when so executed shall be deemed to be an original, but all of which when taken together shall constitute one and the same instrument. If this Modification or any document executed in connection with the Loan is transmitted by telecopy, emailed ".pdf," ".tif," or any other electronic means that reproduces an image of the actual executed signature page it shall be effective as delivery of a manually executed counterpart of such document and shall constitute a covenant to deliver an executed original counterpart, but the failure to do so shall not affect the validity, enforceability and binding effect of such document. The words "execution," "signed," "signature," "delivery," and words of like import in or relating to any document to be signed in connection with the Loan and the transactions contemplated thereby shall be deemed to include electronic signatures, deliveries or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal

Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

Section 5.09. Further Assurances. Borrower shall execute and deliver, or cause to be executed and delivered, to the Lender such documents and agreements, and shall take or cause to be taken such actions as the Lender may, from time to time, reasonably request to carry out the terms of this Modification and the other Loan Documents.

Section 5.10. Headings. The headings, captions, and arrangements used in this Modification are for convenience only and shall not affect the interpretation of this Modification.

Section 5.11. ENTIRE AGREEMENT. THIS MODIFICATION, THE LOAN AGREEMENT, THE NOTE, AND THE OTHER LOAN DOCUMENTS, EACH AS AMENDED, REPRESENT THE ENTIRE AGREEMENT AMONG THE PARTIES RELATED TO THE SUBJECT MATTER HEREOF AND THEREOF AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

Section 5.12. Modification as a Loan Document. This Modification constitutes a Loan Document and any failure of the Borrower to comply with the terms and conditions of this Modification shall result in an Event of Default under the Loan Agreement.

IN WITNESS WHEREOF, the parties have executed this Modification to be effective as of the date first written above.

BORROWER:

INNOVATIVE FOOD HOLDINGS, INC.,
a Florida corporation

By: /s/ Richard Tang
Richard Tang, Chief Financial Officer

LENDER:

MAPLEMARK BANK

By: /s/ Kendall Scott
Kendall Scott, Senior Vice President