

Katy M. Young (SBN 267791)  
Nancy Park Minkler (SBN 236750)  
**AD ASTRA LAW GROUP, LLP**  
582 Market Street, 17<sup>th</sup> Floor  
San Francisco, CA 94104  
Telephone: (415) 795-3579  
Facsimile: (415) 276-1976  
kyoung@astralegal.com  
nminkler@astralegal.com

Attorneys for Defendants/Complainants

IN THE UNITED STATES DISTRICT COURT FOR THE  
NORTHERN DISTRICT OF CALIFORNIA – SAN JOSE DIVISION

INTERNATIONAL CANNABRANDS, INC.,  
et al.,

Plaintiffs,

v.

LA VIDA VERDE, INC., et al.,

Defendants.

LA VIDA VERDE, INC., a California  
Corporation., ERIC HARA, BRYCE  
BERRYESSA, THOMAS FRYE, BRIAN  
BRITTON, and EMILIO EIZNER,

Counterclaimants

v.

INTERNATIONAL CANNABRANDS, INC., an  
Alberta, Canada corporation and LVV HOLDING  
COMPANY, LTD., a Delaware corporation, and  
DOES 1 through 10

Counterdefendants

Case No. 5:19-cv-07781-NC

**COUNTERCLAIMS FOR BREACH OF  
CONTRACT, BREACH OF FIDUCIARY  
DUTY, FRAUD, AND DECLARATORY  
RELIEF**

**DEMAND FOR JURY TRIAL**

Complaint Filed: November 26, 2019  
Trial Date: None Assigned

Counterclaimants La Vida Verde, Inc., which is a defendant in this action, and Eric Hara, Bryce Berryessa, Thomas Frye, Brian Britton, and Emilio Eisner, who are also defendants in this action counterclaim and allege as follows:

**THE PARTIES**

1. Counterclaimant LA VIDA VERDE, INC. (“La Vida”) is incorporated in California and has its principal place of business in California.

2. Counterclaimant ERIC HARA is the CEO of La Vida. He is also a co-founder, board member, and a shareholder of La Vida. He is a citizen of the State of California.

3. Counterclaimant BRYCE BERRYESSA is the President of La Vida. He is also a board member and a shareholder of La Vida. He is a citizen of the State of California.

4. Counterclaimant THOMAS FRYE is the sales lead at La Vida. He is also a co-founder, board member, and shareholder of La Vida. He is a citizen of the State of California.

5. Counterclaimant BRIAN BRITTON is a shareholder of La Vida. He is a citizen of the State of California.

6. Counterclaimant EMILIO EIZNER is a shareholder of La Vida. He is a citizen of the State of California.

7. ERIC HARA, BRYCE BERRYESSA, THOMAS FRYE, BRIAN BRITTON, and EMILIO EIZNER are collectively referred to as the “La Vida Shareholders.”

8. Counterdefendant INTERNATIONAL CANNABRANDS, INC. (“ICI”) is incorporated in Alberta, Canada and is a publicly-traded company on the Canadian Securities Exchange. Its principal place of business is in Denver, Colorado.

9. Counterdefendant LVV HOLDING COMPANY (“LVV”) was incorporated in Delaware. Its principal place of business is in Nevada. It was created by ICI to hold La Vida’s common shares of stock.

10. The true names and identities of Counterdefendants Does 1 through 10, inclusive, are presently unknown to Counterclaimants. Counterclaimants allege on information and belief that each of the Doe Counterdefendants was employed by or was an agent of the other Counterdefendants named herein and was in some way responsible for the acts complained of

herein. Counterclaimants allege on information and belief that each of the Doe Counterdefendants was an owner and/or had an interest in the business or other enterprises of Counterdefendants and/or was in some other way responsible for the matters alleged herein. Counterclaimants will, if appropriate, later seek to amend this counterclaim at such time as the true names and identities of the Does become known.

11. Counterclaimants are informed and believe and thereupon allege that at all times mentioned in this counterclaim, Counterdefendants, including the Does, whether they be individuals or business entities, fictitious or otherwise, were the agents, owners, principals, partners, employees, servants, joint ventures, alter egos and/or co-conspirators of each and every other Counterdefendant, and at all times each of the Counterdefendants was acting within the course and scope of said relationship with the other Counterdefendants.

### **JURISDICTION**

12. This Court has original jurisdiction over this dispute under Title 28 U.S.C. § 1332 because the counterclaimants and counterdefendants are citizens of different states, and the amount in controversy between the parties is more than \$75,000.

### **VENUE**

13. Venue is proper in the San Jose Division of the Northern District of California because a substantial part of the events or omissions giving rise to the counterclaims occurred in Santa Cruz County.

### **GENERAL ALLEGATIONS**

14. La Vida and ICI entered into a Purchase and Sale Agreement (“Agreement”) on September 19, 2018. (The Agreement is attached as Exhibit A to the Complaint [Dkt. 1].) The main provisions of the agreement are as follows:

- a. ICI would make \$2 million in capital contributions to La Vida on the following schedule:
  - i. \$300,000 by September 24, 2018
  - ii. \$300,000 by October 1, 2018
  - iii. \$700,000 by November 1, 2018

iv. \$700,000 by April 30, 2019

b. ICI would purchase 51 percent of La Vida's shares by paying La Vida's Shareholders \$5 million in a combination of cash, promissory notes, and ICI shares on the following schedule:

i. By November 1, 2018, ICI was to pay La Vida shareholder Eric Hara \$1 million in exchange for 170,000 La Vida shares.

ii. On January 2, 2019, ICI was to issue two sets of promissory notes to the La Vida Shareholders. The first set of promissory notes were for \$1 million and were due on March 31, 2019. The second set of promissory notes were for \$1 million and were due on October 31, 2019. (The promissory notes are attached as **Exhibit 1.**)

iii. On January 2, 2019, ICI was to issue to the La Vida Shareholders ICI stock that was worth approximately \$3 million.

15. The Agreement provided for a First Closing and a Second Closing. The First Closing was anticipated to occur on November 1, 2018, after ICI paid \$1 million to Eric Hara and ICI made \$1.3 million in capital contributions. The Second Closing was anticipated to occur on January 2, 2019, after ICI issued promissory notes and ICI shares to the La Vida Shareholders in exchange for a controlling interest in La Vida. The Agreement could be terminated prior to the First Closing or Second Closing if either party breached the agreement.

16. ICI did not make a single payment in-full and on-time.

17. On November 1, 2018, the anticipated First Closing Date, ICI had not paid \$700,000 of the \$1.3 million in capital contributions due before the First Closing. In late December 2018, La Vida informed ICI that it was going to issue a notice of default. Steve Gormley, ICI's CEO, asked La Vida not to issue the notice because ICI would have to disclose the notice to its shareholders, which would have a negative impact on ICI's stock price. La Vida held off on issuing the notice in exchange for ICI's agreement to renegotiate the timeline for ICI to meet its obligations and to delay the Second Closing. Despite this agreement, on January 3, 2019, ICI issued the delinquent

1 \$700,000 capital contribution, promissory notes, and ICI shares to the La Vida shareholders,  
2 effecting the Second Closing and eliminating La Vida's ability to terminate the Agreement.

3 18. After the Second Closing, ICI continued to fail to fulfill its obligations under the  
4 Agreement. It failed to make \$650,000 in capital contributions and failed to pay the amounts owed  
5 on the promissory notes. Counterclaimants exercised their rights under the promissory notes to  
6 claw back their shares, thus reducing ICI's shares in La Vida from 51 percent to 34 percent.

7 19. Despite La Vida's clawback of its shares, ICI has continued to falsely represent to its  
8 shareholders that it owns 51 percent of La Vida.

9 20. In its September 26, October 9, and November 5, 2019 statements to shareholders,  
10 ICI has also represented that it has been in negotiations to reprice its purchase agreement with La  
11 Vida to reflect La Vida's "disappointing performance." These representations are false in that no  
12 such negotiations have occurred. The parties have discussed only terms to unwind the Agreement.  
13 These statements also directly contradict ICI's July 29, 2019 statement to shareholders that "We are  
14 tremendously pleased with La Vida Verde's strong performance, and we anticipate they'll continue  
15 to increase market share in existing and new territories within California." ICI's representations  
16 that it was working to "reprice" the Agreement with La Vida appear designed to deceive  
17 shareholders into believing that it still has a controlling number of shares in La Vida despite having  
18 defaulted on the payment for those shares.

19  
20 **FIRST CAUSE OF ACTION**  
21 **Breach of Contract**  
**(Against ICI)**

22 21. Counterclaimants incorporate by reference all of the preceding allegations.

23 22. Under the Purchase and Sale Agreement, ICI was supposed to make a \$300,000  
24 capital contribution to La Vida by September 24, 2018. It did not make this payment in full until  
25 October 12, 2018.

26 23. Under the Agreement, ICI was supposed to make a \$300,000 capital contribution to  
27 La Vida by October 1, 2018. It did not make this payment in full until October 17, 2018.  
28



1 renege, stating that it would only agree to La Vida's proposal if it could pay the balance of the  
2 promissory notes first. La Vida is informed and believes that ICI intended to only pay the balance  
3 owed on the promissory note to re-establish control of La Vida and never intended to pay the  
4 balance owed for capital contributions.

5 34. The impact of ICI's failure to make the promised capital contributions was made  
6 worse by its July 2019 representations that the outstanding payment were forthcoming. Had ICI  
7 informed La Vida at the time that it was not going to make the final capital contribution, La Vida  
8 could have begun to mitigate its damages earlier.

9 35. During the period ICI withheld this vital capital contribution, it was operating at a  
10 net loss, but its CEO, Steve Gormley, was receiving \$25,000 a month in salary and accruing  
11 substantial travel costs. During this time, Mr. Gormley also approved a salary increase for ICI's  
12 CFO, Mark Scott, from \$7,500 to \$17,500 per month. Mr. Gormley also approved an additional  
13 \$10,000 payment to Mr. Scott to conduct a quarterly audit of La Vida. This audit was within Mr.  
14 Scott's job description and did not warrant extra compensation. During this time, Mr. Gormley  
15 authorized significant pay increases for other ICI employees, as well.

16 36. ICI breached its fiduciary to La Vida by allocating its resources to unwarranted pay  
17 increases and travel expenses for ICI employees when it was not fulfilling its contractual  
18 obligations to La Vida. La Vida is also informed and believes that, during this time, ICI was not  
19 fulfilling other contractual obligations, including payments on the promissory note to former CEO  
20 Jeffrey Britz, royalties owed to Julian Marley for the use of Juju Royal intellectual property, and a  
21 contractually-owed broker's fee to the firm of Bowman Hanson for brokering the agreement  
22 between ICI and La Vida.

23 37. ICI's breaches of all the above contracts have inured to the benefit of the law firm  
24 Tingle Merritt, which has represented ICI on these matters. ICI board member Scott Reeves is a  
25 partner at Tingle Merritt.

26 **THIRD CAUSE OF ACTION**  
27 **Fraud Regarding Jeffrey Britz Promissory Note**  
28 **(Against ICI)**

38. Counterclaimants incorporate by reference all of the preceding allegations.

1           39. Prior to the parties executing the Agreement, ICI was required to disclose all  
2 material adverse effects on its business, assets, operations, financial condition, or prospects  
3 (“material adverse effects”).

4           40. On September 4, 2018, 15 days prior to the execution of the Agreement, ICI issued a  
5 promissory note to Jeffrey Britz, the former President and CEO and founding shareholder of ICI, to  
6 secure a \$941,000 debt owed to him. The promissory note provided for a principal amount owed of  
7 \$941,600, bearing interest at a rate of 6% per annum, due on or before September 30, 2020. ICI  
8 was obligated to pay \$30,000 a month in 2019 and \$60,000 a month in 2020 until the note was paid  
9 off.

10           41. Prior to the parties signing the Agreement, ICI represented to La Vida that there  
11 were no material adverse effects, but this representation was false, as the obligation under the  
12 promissory note was a material adverse effect. The payments on the promissory note were  
13 significant for ICI, which was operating at a net loss during the period when it was making  
14 payments on the note. For the nine months ending September 30, 2019, ICI realized a net loss of  
15 \$10,330,681 and an accumulated deficit of \$17,163,202.

16           42. ICI knew of this obligation to Jeffrey Britz, but purposefully did not disclose it prior  
17 to the parties executing the Agreement. Eric Hara and Bryce Berryessa had numerous  
18 conversations with Steve Gormley, ICI’s CEO, and Ariane Young, ICI’s legal counsel, and neither  
19 Mr. Gormley nor Ms. Young disclosed the existence of this note.

20           43. ICI intended for La Vida to rely on its representation that there were no material  
21 adverse effects in order to induce La Vida to enter into the Agreement with them. La Vida  
22 reasonably relied on ICI’s representation.

23           44. La Vida was not informed of this promissory note until March 2019 when Ariane  
24 Young emailed the ICI board members, which then included Bryce Berryessa, a copy of the  
25 minutes of the September 4, 2018 board meeting that recorded the approval of the promissory note  
26 to Jeffrey Britz.

27           45. Had La Vida know about this significant obligation, it would not have entered into  
28 the Agreement with ICI.



1 receive for granting ICI a controlling interest in La Vida. The La Vida Shareholders would not  
2 have entered into the Agreement if they had known that they would not be able to sell the ICI stock.

3 53. ICI intended for Counterclaimants to rely on its representations, and  
4 Counterclaimants reasonably relied on them.

5 54. Counterclaimants have suffered significant damages as a result of their inability to  
6 sell their ICI stock. In February 2019, when they tried to sell their shares, ICI's stock was worth  
7 approximately \$.09 per share (already a significant reduction from the \$.24 per share value when  
8 the parties executed the Agreement). Today it is worth approximately \$.01 per share.

9  
10 **FIFTH CAUSE OF ACTION**  
11 **Declaratory Relief**  
**(Against ICI and LVV)**

12 55. Counterclaimants incorporate by reference all of the preceding allegations.

13 56. Pursuant to the Agreement, ICI issued \$2 million in promissory notes to the La Vida  
14 Shareholders in exchange for shares of La Vida. On January 3, 2019, ICI issued two sets of  
15 promissory notes to all of the La Vida Shareholders. The first set of promissory notes were for \$1  
16 million and were due on March 31, 2019. The second set of promissory notes were for \$1 million  
17 and were due on October 31, 2019. (The promissory notes are attached as Exhibit 1.)

18 57. Any unpaid amounts due under the promissory notes bear simple interest of five  
19 percent per year.

20 58. ICI paid \$800,000 on the first set of promissory notes. These payments were made  
21 after the March 31, 2019 due date and did not fully satisfy the amounts due on the first set of notes.

22 59. ICI has not made any payments on the second set of promissory notes.

23 60. The promissory notes provide that "upon the failure of the undersigned [ICI] to pay  
24 immediately when due *any amounts* payable hereunder, the Security Interest shall become  
25 enforceable and the Seller [Counterclaimants] shall be entitled, forthwith or at any time thereafter,  
26 without notice to the undersigned, to...retain the Collateral [La Vida shares] irrevocably."  
27 (emphasis added)  
28

1           61.     In approximately June 2019, the La Vida Shareholders exercised their rights to claw  
2 back 8.5 percent of La Vida shares that were secured by the first set of promissory notes.

3           62.     In approximately November 2019, La Vida Shareholders exercised their rights to  
4 claw back an additional 8.5 percent of La Vida shares that were secured by the second set of  
5 promissory notes.

6           63.     An actual, present, justiciable controversy has arisen between Counterclaimants and  
7 Counterdefendants concerning the parties' rights under the promissory notes.

8           64.     Counterclaimants seek a declaration by the Court that they were permitted to claw  
9 back 17 percent of La Vida shares after Counterdefendants failed to make payments as required  
10 under the promissory notes.

11          65.     Counterclaimants also seek a declaration by the Court that ICI owes the La Vida  
12 shareholders interest accrued on any unpaid amounts under the terms of the promissory note.

13  
14           **WHEREFORE**, Counterclaimants pray for judgment as follows:

- 15           a.     declaratory relief as requested;
- 16           b.     for an order to unwind the Agreement;
- 17           c.     For compensatory money damages according to proof;
- 18           d.     for an award of punitive and exemplary damages in an amount sufficient to  
19 punish and deter Counterdefendants;
- 20           e.     for costs of suit, including attorneys' fees as allowed by provisions of law or  
21 contract shown to be applicable;
- 22           f.     for interest thereon at the legal rate provided by law; and
- 23           g.     for such other and further relief determined to be just and proper by the  
24 Court.
- 25  
26  
27  
28

1 Dated: January 24, 2020

**AD ASTRA LAW GROUP, LLP**

2  
3 By /s/ Katy M. Young

4 Katy M. Young

Nancy Park Minkler

5 Attorneys for Defendants ERIC HARA,  
6 BRYCE BERRYESSA, THOMAS FRYE,  
7 BRIAN BRITTON, EMILIO EIZNER and  
8 LA VIDA VERDE, INC.

9  
10 Cross-complainants demand a jury trial.

11  
12 Dated: January 24, 2020

**AD ASTRA LAW GROUP, LLP**

13  
14 By /s/ Katy M. Young

15 Katy M. Young

16 Nancy Park Minkler

17 Attorneys for Defendants ERIC HARA,  
18 BRYCE BERRYESSA, THOMAS FRYE,  
19 BRIAN BRITTON, EMILIO EIZNER and  
20 LA VIDA VERDE, INC.

# EXHIBIT 1

**PROMISSORY NOTE AND PLEDGE AGREEMENT****US\$562,500****January 3, 2019**

For value received, the undersigned hereby promises to pay to **Bryce Berryessa** (the "Seller") the sum of Five Hundred Sixty Two Thousand Five Hundred (\$562,500) Dollars in lawful money of the United States. Such sum shall bear simple interest of 5% per annum, calculated annually on the anniversary of the date hereof in arrears, and shall be due and payable on or before October 31, 2019 (the "Expiry Date"), unless extended by mutual agreement by the parties, in which case, any reference to the Expiry Date shall mean any extended date agreed to by the parties.

As continuing security for the due and timely payment and performance by the undersigned of its liabilities and obligations hereunder, the undersigned hereby grants to the Seller a security interest (the "Security Interest") in, to and over 95,625 shares of common stock of La Vida Verde, Inc. (the "Pledged Securities") acquired with the principal amount and registered in the name of the undersigned and any and all property in any form derived, directly or indirectly, from any dealing with the Pledged Securities, including any and all shares of any other corporation or other entity received upon any reorganization, merger, amalgamation, arrangement, sale or other transaction involving the La Vida Verde, Inc. or its shareholders (collectively, the "Collateral").

The undersigned hereby agrees to deliver to the Seller the certificates representing the Pledged Securities, accompanied by a duly executed stock transfer power in favour of the holder. The undersigned shall forthwith deliver to the Seller to be held by the Seller hereunder, all other instruments, securities and negotiable documents of title in its possession or control which pertain to or form part of the Collateral, and shall, where appropriate, duly endorse the same for transfer in blank or as the Seller may direct and shall make all reasonable efforts to deliver to the Seller any and all consents or other instruments or documents necessary to comply with any restrictions on the transfer thereof in order to transfer the same to the Seller.

Upon the failure of the undersigned to pay immediately when due any amounts payable hereunder, the Security Interest shall become enforceable and the Seller shall be entitled, forthwith or at any time thereafter, without notice to the undersigned, to do as follows:

- i. commence legal action to enforce payment or performance of the liabilities and obligations of the undersigned hereunder;
- ii. dispose of all or any part of the Collateral by private or public sale, lease or otherwise upon such terms and conditions as the Seller may determine;
- iii. retain the Collateral irrevocably, to the extent not prohibited by law, by giving notice thereof to the undersigned and to any other persons required by law in the manner provided by law; and
- iv. take any other action, suit, remedy or proceeding authorized or permitted by this Note, any applicable personal property security statute or by law or equity.

The undersigned and all endorsers of this Note hereby waive presentment for payment, notice of non-payment, protest and notice of protest.

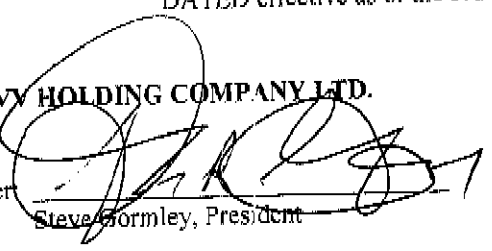
This Note shall be governed by and construed in accordance with the laws of the State of California and the laws of the United States of America applicable therein.

This Note shall be binding upon the undersigned and its successors and permitted assigns and shall enure to the benefit of the Seller and his successors and assigns.

DATED effective as of the 3rd day of January, 2019.

**LVV HOLDING COMPANY LTD.**

Per

  
Steve Gormley, President

**PROMISSORY NOTE AND PLEDGE AGREEMENT****January 3, 2019****US\$562,500**

For value received, the undersigned hereby promises to pay to **Bryce Berryessa** (the "Seller") the sum of Five Hundred Sixty Two Thousand Five Hundred (\$562,500) Dollars in lawful money of the United States. Such sum shall bear simple interest of 5% per annum, calculated annually on the anniversary of the date hereof in arrears, and shall be due and payable on or before March 31, 2019 (the "Expiry Date"), unless extended by mutual agreement by the parties, in which case, any reference to the Expiry Date shall mean any extended date agreed to by the parties.

As continuing security for the due and timely payment and performance by the undersigned of its liabilities and obligations hereunder, the undersigned hereby grants to the Seller a security interest (the "Security Interest") in, to and over 95,625 shares of common stock of La Vida Verde, Inc. (the "Pledged Securities") acquired with the principal amount and registered in the name of the undersigned and any and all property in any form derived, directly or indirectly, from any dealing with the Pledged Securities, including any and all shares of any other corporation or other entity received upon any reorganization, merger, amalgamation, arrangement, sale or other transaction involving the La Vida Verde, Inc. or its shareholders (collectively, the "Collateral").

The undersigned hereby agrees to deliver to the Seller the certificates representing the Pledged Securities, accompanied by a duly executed stock transfer power in favour of the holder. The undersigned shall forthwith deliver to the Seller to be held by the Seller hereunder, all other instruments, securities and negotiable documents of title in its possession or control which pertain to or form part of the Collateral, and shall, where appropriate, duly endorse the same for transfer in blank or as the Seller may direct and shall make all reasonable efforts to deliver to the Seller any and all consents or other instruments or documents necessary to comply with any restrictions on the transfer thereof in order to transfer the same to the Seller.

Upon the failure of the undersigned to pay immediately when due any amounts payable hereunder, the Security Interest shall become enforceable and the Seller shall be entitled, forthwith or at any time thereafter, without notice to the undersigned, to do as follows:

- i. commence legal action to enforce payment or performance of the liabilities and obligations of the undersigned hereunder;
- ii. dispose of all or any part of the Collateral by private or public sale, lease or otherwise upon such terms and conditions as the Seller may determine;
- iii. retain the Collateral irrevocably, to the extent not prohibited by law, by giving notice thereof to the undersigned and to any other persons required by law in the manner provided by law; and
- iv. take any other action, suit, remedy or proceeding authorized or permitted by this Note, any applicable personal property security statute or by law or equity.

The undersigned and all endorers of this Note hereby waive presentment for payment, notice of non-payment, protest and notice of protest.

This Note shall be governed by and construed in accordance with the laws of the State of California and the laws of the United States of America applicable therein.

This Note shall be binding upon the undersigned and its successors and permitted assigns and shall enure to the benefit of the Seller and his successors and assigns.

DATED effective as of the 3rd day of January, 2019.

LVV HOLDING COMPANY LTD.

Per:

Steve Gormley, President

**PROMISSORY NOTE AND PLEDGE AGREEMENT****January 3, 2019****US\$75,000**

For value received, the undersigned hereby promises to pay to **Thomas Frye** (the "Seller") the sum of Seventy Five Thousand (\$75,000) Dollars in lawful money of the United States. Such sum shall bear simple interest of 5% per annum, calculated annually on the anniversary of the date hereof in arrears, and shall be due and payable on or before October 31, 2019 (the "Expiry Date"), unless extended by mutual agreement by the parties, in which case, any reference to the Expiry Date shall mean any extended date agreed to by the parties.

As continuing security for the due and timely payment and performance by the undersigned of its liabilities and obligations hereunder, the undersigned hereby grants to the Seller a security interest (the "Security Interest") in, to and over 12,750 shares of common stock of La Vida Verde, Inc. (the "Pledged Securities") acquired with the principal amount and registered in the name of the undersigned and any and all property in any form derived, directly or indirectly, from any dealing with the Pledged Securities, including any and all shares of any other corporation or other entity received upon any reorganization, merger, amalgamation, arrangement, sale or other transaction involving the La Vida Verde, Inc. or its shareholders (collectively, the "Collateral").

The undersigned hereby agrees to deliver to the Seller the certificates representing the Pledged Securities, accompanied by a duly executed stock transfer power in favour of the holder. The undersigned shall forthwith deliver to the Seller to be held by the Seller hereunder, all other instruments, securities and negotiable documents of title in its possession or control which pertain to or form part of the Collateral, and shall, where appropriate, duly endorse the same for transfer in blank or as the Seller may direct and shall make all reasonable efforts to deliver to the Seller any and all consents or other instruments or documents necessary to comply with any restrictions on the transfer thereof in order to transfer the same to the Seller.

Upon the failure of the undersigned to pay immediately when due any amounts payable hereunder, the Security Interest shall become enforceable and the Seller shall be entitled, forthwith or at any time thereafter, without notice to the undersigned, to do as follows:

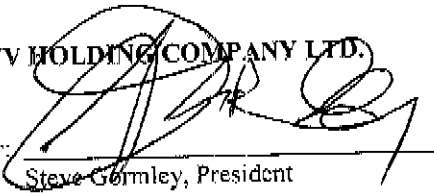
- i. commence legal action to enforce payment or performance of the liabilities and obligations of the undersigned hereunder;
- ii. dispose of all or any part of the Collateral by private or public sale, lease or otherwise upon such terms and conditions as the Seller may determine;
- iii. retain the Collateral irrevocably, to the extent not prohibited by law, by giving notice thereof to the undersigned and to any other persons required by law in the manner provided by law; and
- iv. take any other action, suit, remedy or proceeding authorized or permitted by this Note, any applicable personal property security statute or by law or equity.

The undersigned and all endorsers of this Note hereby waive presentment for payment, notice of non-payment, protest and notice of protest.

This Note shall be governed by and construed in accordance with the laws of the State of California and the laws of the United States of America applicable therein.

This Note shall be binding upon the undersigned and its successors and permitted assigns and shall enure to the benefit of the Seller and his successors and assigns.

DATED effective as of the 3rd day of January, 2019.

LVV HOLDING COMPANY LTD.  
Per:   
Steve Gormley, President

## PROMISSORY NOTE AND PLEDGE AGREEMENT

US\$75,000

January 3, 2019

For value received, the undersigned hereby promises to pay to **Thomas Frye** (the "Seller") the sum of Seventy Five Thousand (\$75,000) Dollars in lawful money of the United States. Such sum shall bear simple interest of 5% per annum, calculated annually on the anniversary of the date hereof in arrears, and shall be due and payable on or before March 31, 2019 (the "Expiry Date"), unless extended by mutual agreement by the parties, in which case, any reference to the Expiry Date shall mean any extended date agreed to by the parties.

As continuing security for the due and timely payment and performance by the undersigned of its liabilities and obligations hereunder, the undersigned hereby grants to the Seller a security interest (the "Security Interest") in, to and over 12,750 shares of common stock of La Vida Verde, Inc. (the "Pledged Securities") acquired with the principal amount and registered in the name of the undersigned and any and all property in any form derived, directly or indirectly, from any dealing with the Pledged Securities, including any and all shares of any other corporation or other entity received upon any reorganization, merger, amalgamation, arrangement, sale or other transaction involving the La Vida Verde, Inc. or its shareholders (collectively, the "Collateral").

The undersigned hereby agrees to deliver to the Seller the certificates representing the Pledged Securities, accompanied by a duly executed stock transfer power in favour of the holder. The undersigned shall forthwith deliver to the Seller to be held by the Seller hereunder, all other instruments, securities and negotiable documents of title in its possession or control which pertain to or form part of the Collateral, and shall, where appropriate, duly endorse the same for transfer in blank or as the Seller may direct and shall make all reasonable efforts to deliver to the Seller any and all consents or other instruments or documents necessary to comply with any restrictions on the transfer thereof in order to transfer the same to the Seller.

Upon the failure of the undersigned to pay immediately when due any amounts payable hereunder, the Security Interest shall become enforceable and the Seller shall be entitled, forthwith or at any time thereafter, without notice to the undersigned, to do as follows:

- i. commence legal action to enforce payment or performance of the liabilities and obligations of the undersigned hereunder;
- ii. dispose of all or any part of the Collateral by private or public sale, lease or otherwise upon such terms and conditions as the Seller may determine;
- iii. retain the Collateral irrevocably, to the extent not prohibited by law, by giving notice thereof to the undersigned and to any other persons required by law in the manner provided by law; and
- iv. take any other action, suit, remedy or proceeding authorized or permitted by this Note, any applicable personal property security statute or by law or equity.

The undersigned and all endorsers of this Note hereby waive presentment for payment, notice of non-payment, protest and notice of protest.

This Note shall be governed by and construed in accordance with the laws of the State of California and the laws of the United States of America applicable therein.

This Note shall be binding upon the undersigned and its successors and permitted assigns and shall enure to the benefit of the Seller and his successors and assigns.

DATED effective as of the 3rd day of January, 2019.

LVV HOLDING COMPANY LTD.

Per: 

Steve Gormley, President

## PROMISSORY NOTE AND PLEDGE AGREEMENT

US\$75,000

January 3, 2019

For value received, the undersigned hereby promises to pay to Emilio Eizner (the "Seller") the sum of Seventy Five Thousand (\$75,000) Dollars in lawful money of the United States. Such sum shall bear simple interest of 5% per annum, calculated annually on the anniversary of the date hereof in arrears, and shall be due and payable on or before October 31, 2019 (the "Expiry Date"), unless extended by mutual agreement by the parties, in which case, any reference to the Expiry Date shall mean any extended date agreed to by the parties.

As continuing security for the due and timely payment and performance by the undersigned of its liabilities and obligations hereunder, the undersigned hereby grants to the Seller a security interest (the "Security Interest") in, to and over 12,750 shares of common stock of La Vida Verde, Inc. (the "Pledged Securities") acquired with the principal amount and registered in the name of the undersigned and any and all property in any form derived, directly or indirectly, from any dealing with the Pledged Securities, including any and all shares of any other corporation or other entity received upon any reorganization, merger, amalgamation, arrangement, sale or other transaction involving the La Vida Verde, Inc. or its shareholders (collectively, the "Collateral").

The undersigned hereby agrees to deliver to the Seller the certificates representing the Pledged Securities, accompanied by a duly executed stock transfer power in favour of the holder. The undersigned shall forthwith deliver to the Seller to be held by the Seller hereunder, all other instruments, securities and negotiable documents of title in its possession or control which pertain to or form part of the Collateral, and shall, where appropriate, duly endorse the same for transfer in blank or as the Seller may direct and shall make all reasonable efforts to deliver to the Seller any and all consents or other instruments or documents necessary to comply with any restrictions on the transfer thereof in order to transfer the same to the Seller.

Upon the failure of the undersigned to pay immediately when due any amounts payable hereunder, the Security Interest shall become enforceable and the Seller shall be entitled, forthwith or at any time thereafter, without notice to the undersigned, to do as follows:

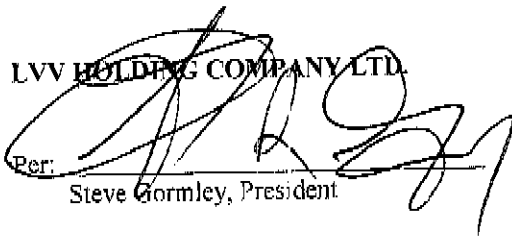
- i. commence legal action to enforce payment or performance of the liabilities and obligations of the undersigned hereunder;
- ii. dispose of all or any part of the Collateral by private or public sale, lease or otherwise upon such terms and conditions as the Seller may determine;
- iii. retain the Collateral irrevocably, to the extent not prohibited by law, by giving notice thereof to the undersigned and to any other persons required by law in the manner provided by law; and
- iv. take any other action, suit, remedy or proceeding authorized or permitted by this Note, any applicable personal property security statute or by law or equity.

The undersigned and all endorsers of this Note hereby waive presentment for payment, notice of non-payment, protest and notice of protest.

This Note shall be governed by and construed in accordance with the laws of the State of California and the laws of the United States of America applicable therein.

This Note shall be binding upon the undersigned and its successors and permitted assigns and shall enure to the benefit of the Seller and his successors and assigns.

DATED effective as of the 3rd day of January, 2019.

LVV HOLDING COMPANY LTD.  
Per:   
Steve Gormley, President

## PROMISSORY NOTE AND PLEDGE AGREEMENT

US\$75,000

January 3, 2019

For value received, the undersigned hereby promises to pay to **Emilio Eizner** (the "Seller") the sum of Seventy Five Thousand (\$75,000) Dollars in lawful money of the United States. Such sum shall bear simple interest of 5% per annum, calculated annually on the anniversary of the date hereof in arrears, and shall be due and payable on or before March 31, 2019 (the "Expiry Date"), unless extended by mutual agreement by the parties, in which case, any reference to the Expiry Date shall mean any extended date agreed to by the parties.

As continuing security for the due and timely payment and performance by the undersigned of its liabilities and obligations hereunder, the undersigned hereby grants to the Seller a security interest (the "Security Interest") in, to and over 12,750 shares of common stock of La Vida Verde, Inc. (the "Pledged Securities") acquired with the principal amount and registered in the name of the undersigned and any and all property in any form derived, directly or indirectly, from any dealing with the Pledged Securities, including any and all shares of any other corporation or other entity received upon any reorganization, merger, amalgamation, arrangement, sale or other transaction involving the La Vida Verde, Inc. or its shareholders (collectively, the "Collateral").

The undersigned hereby agrees to deliver to the Seller the certificates representing the Pledged Securities, accompanied by a duly executed stock transfer power in favour of the holder. The undersigned shall forthwith deliver to the Seller to be held by the Seller hereunder, all other instruments, securities and negotiable documents of title in its possession or control which pertain to or form part of the Collateral, and shall, where appropriate, duly endorse the same for transfer in blank or as the Seller may direct and shall make all reasonable efforts to deliver to the Seller any and all consents or other instruments or documents necessary to comply with any restrictions on the transfer thereof in order to transfer the same to the Seller.

Upon the failure of the undersigned to pay immediately when due any amounts payable hereunder, the Security Interest shall become enforceable and the Seller shall be entitled, forthwith or at any time thereafter, without notice to the undersigned, to do as follows:

- i. commence legal action to enforce payment or performance of the liabilities and obligations of the undersigned hereunder;
- ii. dispose of all or any part of the Collateral by private or public sale, lease or otherwise upon such terms and conditions as the Seller may determine;
- iii. retain the Collateral irrevocably, to the extent not prohibited by law, by giving notice thereof to the undersigned and to any other persons required by law in the manner provided by law; and
- iv. take any other action, suit, remedy or proceeding authorized or permitted by this Note, any applicable personal property security statute or by law or equity.

The undersigned and all endorsers of this Note hereby waive presentment for payment, notice of non-payment, protest and notice of protest.

This Note shall be governed by and construed in accordance with the laws of the State of California and the laws of the United States of America applicable therein.

This Note shall be binding upon the undersigned and its successors and permitted assigns and shall enure to the benefit of the Seller and his successors and assigns.

DATED effective as of the 3rd day of January, 2019.

LVV HOLDING COMPANY LTD.

Per: 

Steve Gormley, President

**PROMISSORY NOTE AND PLEDGE AGREEMENT****US\$242,500****January 3, 2019**

For value received, the undersigned hereby promises to pay to **Eric Hara** (the "Seller") the sum of Two Hundred Forty Two Thousand Five Hundred (\$242,500) Dollars in lawful money of the United States. Such sum shall bear simple interest of 5% per annum, calculated annually on the anniversary of the date hereof in arrears, and shall be due and payable on or before October 31, 2019 (the "Expiry Date"), unless extended by mutual agreement by the parties, in which case, any reference to the Expiry Date shall mean any extended date agreed to by the parties.

As continuing security for the due and timely payment and performance by the undersigned of its liabilities and obligations hereunder, the undersigned hereby grants to the Seller a security interest (the "Security Interest") in, to and over 41,225 shares of common stock of La Vida Verde, Inc. (the "Pledged Securities") acquired with the principal amount and registered in the name of the undersigned and any and all property in any form derived, directly or indirectly, from any dealing with the Pledged Securities, including any and all shares of any other corporation or other entity received upon any reorganization, merger, amalgamation, arrangement, sale or other transaction involving the La Vida Verde, Inc. or its shareholders (collectively, the "Collateral").

The undersigned hereby agrees to deliver to the Seller the certificates representing the Pledged Securities, accompanied by a duly executed stock transfer power in favour of the holder. The undersigned shall forthwith deliver to the Seller to be held by the Seller hereunder, all other instruments, securities and negotiable documents of title in its possession or control which pertain to or form part of the Collateral, and shall, where appropriate, duly endorse the same for transfer in blank or as the Seller may direct and shall make all reasonable efforts to deliver to the Seller any and all consents or other instruments or documents necessary to comply with any restrictions on the transfer thereof in order to transfer the same to the Seller.

Upon the failure of the undersigned to pay immediately when due any amounts payable hereunder, the Security Interest shall become enforceable and the Seller shall be entitled, forthwith or at any time thereafter, without notice to the undersigned, to do as follows:

- i. commence legal action to enforce payment or performance of the liabilities and obligations of the undersigned hereunder;
- ii. dispose of all or any part of the Collateral by private or public sale, lease or otherwise upon such terms and conditions as the Seller may determine;
- iii. retain the Collateral irrevocably, to the extent not prohibited by law, by giving notice thereof to the undersigned and to any other persons required by law in the manner provided by law; and
- iv. take any other action, suit, remedy or proceeding authorized or permitted by this Note, any applicable personal property security statute or by law or equity.

The undersigned and all endorsers of this Note hereby waive presentment for payment, notice of non-payment, protest and notice of protest.

This Note shall be governed by and construed in accordance with the laws of the State of California and the laws of the United States of America applicable therein.

This Note shall be binding upon the undersigned and its successors and permitted assigns and shall enure to the benefit of the Seller and his successors and assigns.

DATED effective as of the 3rd day of January, 2019.

LVV HOLDING COMPANY LTD

Per:

Steve Gormley, President

**PROMISSORY NOTE AND PLEDGE AGREEMENT****US\$242,500****January 3, 2019**

For value received, the undersigned hereby promises to pay to **Eric Hara** (the "Seller") the sum of Two Hundred Forty Two Thousand Five Hundred (\$242,500) Dollars in lawful money of the United States. Such sum shall bear simple interest of 5% per annum, calculated annually on the anniversary of the date hereof in arrears, and shall be due and payable on or before March 31, 2019 (the "Expiry Date"), unless extended by mutual agreement by the parties, in which case, any reference to the Expiry Date shall mean any extended date agreed to by the parties.

As continuing security for the due and timely payment and performance by the undersigned of its liabilities and obligations hereunder, the undersigned hereby grants to the Seller a security interest (the "Security Interest") in, to and over 41,225 shares of common stock of La Vida Verde, Inc. (the "Pledged Securities") acquired with the principal amount and registered in the name of the undersigned and any and all property in any form derived, directly or indirectly, from any dealing with the Pledged Securities, including any and all shares of any other corporation or other entity received upon any reorganization, merger, amalgamation, arrangement, sale or other transaction involving the La Vida Verde, Inc. or its shareholders (collectively, the "Collateral").

The undersigned hereby agrees to deliver to the Seller the certificates representing the Pledged Securities, accompanied by a duly executed stock transfer power in favour of the holder. The undersigned shall forthwith deliver to the Seller to be held by the Seller hereunder, all other instruments, securities and negotiable documents of title in its possession or control which pertain to or form part of the Collateral, and shall, where appropriate, duly endorse the same for transfer in blank or as the Seller may direct and shall make all reasonable efforts to deliver to the Seller any and all consents or other instruments or documents necessary to comply with any restrictions on the transfer thereof in order to transfer the same to the Seller.

Upon the failure of the undersigned to pay immediately when due any amounts payable hereunder, the Security Interest shall become enforceable and the Seller shall be entitled, forthwith or at any time thereafter, without notice to the undersigned, to do as follows:

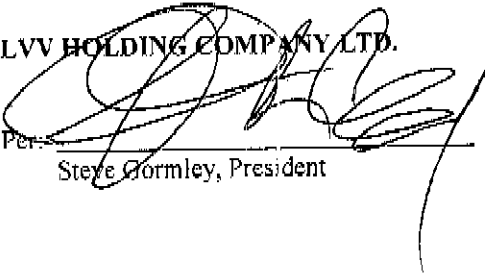
- i. commence legal action to enforce payment or performance of the liabilities and obligations of the undersigned hereunder;
- ii. dispose of all or any part of the Collateral by private or public sale, lease or otherwise upon such terms and conditions as the Seller may determine;
- iii. retain the Collateral irrevocably, to the extent not prohibited by law, by giving notice thereof to the undersigned and to any other persons required by law in the manner provided by law; and
- iv. take any other action, suit, remedy or proceeding authorized or permitted by this Note, any applicable personal property security statute or by law or equity.

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This Note shall be binding upon the undersigned and its successors and permitted assigns and shall enure to the benefit of the Seller and his successors and assigns.

DATED effective as of the 3rd day of January, 2019.

LVV HOLDING COMPANY LTD.  
  
Per: \_\_\_\_\_  
Steve Gormley, President

**PROMISSORY NOTE AND PLEDGE AGREEMENT****US\$45,000****January 3, 2019**

For value received, the undersigned hereby promises to pay to **Brian Britton** (the "Seller") the sum of Forty Five Thousand (\$45,000) Dollars in lawful money of the United States. Such sum shall bear simple interest of 5% per annum, calculated annually on the anniversary of the date hereof in arrears, and shall be due and payable on or before October 31, 2019 (the "Expiry Date"), unless extended by mutual agreement by the parties, in which case, any reference to the Expiry Date shall mean any extended date agreed to by the parties.

As continuing security for the due and timely payment and performance by the undersigned of its liabilities and obligations hereunder, the undersigned hereby grants to the Seller a security interest (the "Security Interest") in, to and over 7,650 shares of common stock of La Vida Verde, Inc. (the "Pledged Securities") acquired with the principal amount and registered in the name of the undersigned and any and all property in any form derived, directly or indirectly, from any dealing with the Pledged Securities, including any and all shares of any other corporation or other entity received upon any reorganization, merger, amalgamation, arrangement, sale or other transaction involving the La Vida Verde, Inc. or its shareholders (collectively, the "Collateral").

The undersigned hereby agrees to deliver to the Seller the certificates representing the Pledged Securities, accompanied by a duly executed stock transfer power in favour of the holder. The undersigned shall forthwith deliver to the Seller to be held by the Seller hereunder, all other instruments, securities and negotiable documents of title in its possession or control which pertain to or form part of the Collateral, and shall, where appropriate, duly endorse the same for transfer in blank or as the Seller may direct and shall make all reasonable efforts to deliver to the Seller any and all consents or other instruments or documents necessary to comply with any restrictions on the transfer thereof in order to transfer the same to the Seller.

Upon the failure of the undersigned to pay immediately when due any amounts payable hereunder, the Security Interest shall become enforceable and the Seller shall be entitled, forthwith or at any time thereafter, without notice to the undersigned, to do as follows:

- i. commence legal action to enforce payment or performance of the liabilities and obligations of the undersigned hereunder;
- ii. dispose of all or any part of the Collateral by private or public sale, lease or otherwise upon such terms and conditions as the Seller may determine;
- iii. retain the Collateral irrevocably, to the extent not prohibited by law, by giving notice thereof to the undersigned and to any other persons required by law in the manner provided by law; and
- iv. take any other action, suit, remedy or proceeding authorized or permitted by this Note, any applicable personal property security statute or by law or equity.

The undersigned and all endorsers of this Note hereby waive presentment for payment, notice of non-payment, protest and notice of protest.

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This Note shall be binding upon the undersigned and its successors and permitted assigns and shall enure to the benefit of the Seller and his successors and assigns.

DATED effective as of the 3rd day of January, 2019.

**LVV HOLDING COMPANY LTD.**

Per: 

Steve Gormley, President

**PROMISSORY NOTE AND PLEDGE AGREEMENT****US\$45,000****January 3, 2019**

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- i. commence legal action to enforce payment or performance of the liabilities and obligations of the undersigned hereunder;
- ii. dispose of all or any part of the Collateral by private or public sale, lease or otherwise upon such terms and conditions as the Seller may determine;
- iii. retain the Collateral irrevocably, to the extent not prohibited by law, by giving notice thereof to the undersigned and to any other persons required by law in the manner provided by law; and
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Steve Gormley, President