**THE FOOD CORRIDOR, LLC**

**SALE OF SERIES SEED PREFERRED STOCK**

**SUMMARY OF TERMS**

Issuer: The Food Corridor, LLC,a Colorado limited liability company (the “Company”). The Company will convert to a C-corporation effective immediately prior to the closing of this financing.

Amount of Financing: Up to $800,000, but not less than $250,000 (minimum to first close).

Minimum Investment: $20,000, however, the Company reserves the right to reject any subscription, in whole or in part, to waive the minimum amount, or to allocate to any prospective investor a subscription for less than

the minimum investment.

Type of Security: Series Seed I Convertible Preferred Stock (the “Series Seed Preferred”), initially convertible on a 1:1 basis into shares of the Company’s Common Stock (the “Common Stock”).

Price: Price per share (the “Original Purchase Price”). The Original Purchase Price represents a fully-diluted pre-money valuation of $3,000,000, including an available option pool of XX%. A capitalization table showing the Company’s capital structure immediately prior to and following the Closing is attached as Exhibit A.

Anticipated Initial Closing   
Date (the “Closing”): October 16, 2017

**TERMS OF SERIES SEED PREFERRED STOCK**

Dividends: The holders of the Series Seed Preferred shall be entitled to receive noncumulative dividends in preference to any dividend on the Common Stock, when and as declared by the Board of Directors. The holders of the Series Seed Preferred also shall be entitled to participate pro rata in any dividends paid on the Common Stock on an as-if-converted basis.

Liquidation Preference: In the event of any liquidation or winding up of the Company, the holders of the Series Seed Preferred shall be entitled to receive in preference to the holders of the Common Stock a per share amount equal to 1x the Original Purchase Price plus any declared but unpaid dividends (the Liquidation Preference).” The Series Seed Preferred is not participating preferred, and after the payment of the Liquidation Preference to the holders of the Series Seed Preferred, the remaining assets shall be distributed ratably to the holders of the Common Stock. A merger, acquisition, sale of voting control or sale of substantially all of the assets of the Company in which the shareholders of the Company do not own a majority of the outstanding shares of the surviving corporation (a “Change in Control”) shall be deemed to be a liquidation.

Conversion: The holders of the Series Seed Preferred shall have the right to convert the Series Seed Preferred, at any time, into shares of Common Stock. The initial conversion rate shall be 1:1, subject to adjustment as provided below.

Automatic Conversion: The Series Seed Preferred shall be automatically converted into Common Stock, at the then applicable conversion price, (i) in the event that the holders of at least a majorityof the outstanding Series Seed Preferred consent to such conversion or (ii) upon the closing of a firmly underwritten public offering of shares of Common Stock of the Company at a per share price not less than 3 times the Original Purchase Price(as adjusted for stock splits, dividends and the like) per share and for a total offering of not less than $9 million (before deduction of underwriters commissions and expenses) (a “Qualified IPO”)

Anti-dilution Provisions: The conversion price of the Series Seed Preferred will be subject to a broad-based weighted average adjustment to reduce dilution in the event that the Company issues additional equity securities (other than shares reserved under the “Employee Pool” (defined below) and certain other customary exceptions) at a purchase price less than the applicable conversion price. The conversion price will also be subject to proportional adjustment for stock splits, stock dividends, recapitalizations and the like.

Voting Rights: The Series Seed Preferred will vote together with the Common Stock and not as a separate class except as specifically provided herein or as otherwise required by law. Each share of Series Seed Preferred shall have a number of votes equal to the number of shares of Common Stock then issuable upon conversion of such share of Series Seed Preferred.

Board of Directors: The size of the Company’s Board of Directors shall be set at 3. The Board shall be comprised of one representative designated by the holders of the Common Stock, one of whom shall be Ashley Colpaart as CEO, one representative designated by holders of the Series Seed Preferred and one representative selected by Series Seed Preferred and Common shareholders who shall neither be a shareholder nor an employee of the company.

Should a Rockies Venture Club representative not be appointed to one of Series Seed Preferred board seats, Rockies Venture Club will be entitled to have one non-voting board observer attend each meeting of the Board, and to receive all materials submitted to the Board in connection with each such meeting.

The rights of the Common Stock and the Preferred Series Seed to designate directors shall terminate upon a Qualified IPO or upon a Change in Control in which the stockholders of the Company receive unrestricted securities that are actively traded on a national securities exchange or the Nasdaq Stock Market.

Protective Provisions: Consent of the holders of at least a majority of the Series Seed Preferred shall be required for any action that, by amendment, merger, consolidation, reclassification or otherwise, (i) alters or changes the rights, preferences or privileges of the Series Seed Preferred, (ii) increases or decreases the authorized number of shares of Common Stock, Preferred Stock or Series Seed Preferred, (iii) creates any new class or series of shares having rights, preferences or privileges senior to or on a parity with the Series Seed Preferred or any increase in the authorized or designated number of such new senior or parity class or series, (iv) results in the redemption, repurchase, payment of dividends or other distribution with respect to any shares of Common Stock (other than acquisitions of Common Stock by the Company pursuant to agreements which permit the Company to repurchase such shares at cost upon termination of services to the Company or in exercise of the Company’s right of first refusal upon a proposed transfer), (v) results in any merger, other corporate reorganization, sale of control, or any transaction in which all or substantially all of the assets of the Company are sold, (vi) results in the payment or declaration of any dividend on any shares of Common or Preferred Stock, (viii) results in any voluntary dissolution or liquidation of the Company, (ix) increases or decreases the authorized size of the Company’s Board of Directors, (x) issues debt in excess of $150,000, (xi) makes any voluntary petition for bankruptcy or assignment for the benefit of creditors, or or (xii) enters into any exclusive license, lease, sale, distribution or other disposition of all or substantially all of its assets or intellectual property.

Information Rights: So long as an Investor continues to hold shares of Series Seed Preferred or Common Stock issued upon conversion of the Series Seed Preferred, the Company shall deliver to the Investor:

1. Quarterly unaudited financial statements (balance sheet, income statement, and statement of cash flows);
2. A monthly management letter summarizing the status of the company including key risks, upcoming strategic initiatives, Key Performance Indicators (KPIs) and other pertinent information;
3. A quarterly organizational chart showing all officers, directors, and executives of the company;
4. Annual financial statements within 60 days of the close of the Company’s fiscal year.

These provisions shall terminate upon a Qualified IPO or upon a Change in Control in which the stockholders of the Company receive unrestricted securities that are actively traded on a national securities exchange or the Nasdaq Stock Market.

Preemptive Rights: Investors shall have the right in the event the Company proposes to offer equity securities to any person (other than the shares reserved under the Employee Pool or certain other customary exceptions) to purchase their pro rata portion of such shares. Any securities not subscribed for by an Investor may be reallocated among the other Investors. Such right of first refusal will terminate upon a Qualified IPO or upon a Change in Control in which the stockholders of the Company receive unrestricted securities that are actively traded on a national securities exchange or the Nasdaq Stock Market.

Investment Agreements: The investment shall be made pursuant to stock purchase and other agreements reasonably acceptable to the Company and the Investors, which agreements shall contain, among other things, appropriate representations and warranties of the Company, covenants of the Company reflecting the provisions set forth herein and appropriate conditions of closing, including an opinion of counsel for the Company.

**EMPLOYEE MATTERS**

Employee Pool: Prior to the Closing, the Company will have reserved x,000,000 shares of its Common Stock (x.x% of its fully diluted capital stock following the issuance of its Series Seed Preferred assuming all authorized shares are issued) for issuances to directors, officers, employees and consultants (“Employee Pool”), of which x00,000 shares (or x.0% of its fully diluted capital stock following the issuance of the Series Seed Preferred assuming all authorized shares are issued) under the terms of an equity incentive plan to be adopted by the Company as of Closing.

**OTHER AGREEMENTS**

Right of First Refusal: The shares of the Company’s securities shall be made subject to a right of first refusal (with certain reasonable and customary exceptions) such that the stockholders may not sell, transfer or exchange their stock unless the Company first, and each of the Investors, second, has an opportunity to purchase such shares, which purchase with respect to the Investors shall be on a pro-rata basis. This right of first refusal shall not apply to and shall terminate upon a Qualified IPO or upon a Change in Control in which the stockholders of the Company receive unrestricted securities that are actively traded on a national securities exchange or the Nasdaq Stock Market.

Drag Along Rights:Holders of Common Stock and Series Seed Preferred shall be subject to drag-along rights whereby, if the Board (including the Series Seed Preferred Director) and the holders of a majority of the Series Seed Preferred, voting as a single class, consent to a sale or liquidation of the Company, the holders of the remaining Series Seed Preferred and Common Stock shall consent to and raise no objections to such sale so long as the total consideration receivable by the Company and its stockholders in such transaction are to be distributed in accordance with the liquidation preferences set forth in the Company’s Articles of Incorporation.

Co-Sale: The shares of the Company’s securities held by Series Seed Preferred shall bemade subject to co-sale rights (with certain reasonable exceptions) granting the Investors the right to participate in a sale of Series Seed Preferred’s shares (not purchased in exercise of the Company’s or the Investors’ rights of first refusal) on a pro-rata basis. This right of co-sale shall not apply to, and shall terminate immediately prior to a Qualified IPO or a Corporate Event or other transaction that constitutes a Liquidation.

**OTHER MATTERS**

Assignment: Each of the Investors shall be entitled to transfer all or part of its shares of Series Seed Preferred to one or more affiliated partnerships or funds managed by it or any of their respective directors, officers or partners, provided such transferee agrees in writing to be subject to the terms of the Stock Purchase Agreement and related agreements as if it were a purchaser thereunder.

Right to Participate The Rockies Venture Club shall have a right to participate in this round regardless of any no-shop or other agreements to an amount up to 25% of the Amount of Financing, unless otherwise rescinded in writing.

Conditions Precedent

to Financing: Except for the provisions contained herein under the heading “Expenses”, which is explicitly agreed by the Company and the Investors to be binding upon execution hereof, this summary of terms is not intended as a legally binding commitment by the Investors or the Company, and any obligation on the part of the Investors or the Company is subject to the following conditions precedent:

1. Satisfactory completion of due diligence by the prospective Investors.

2. Completion of legal documentation satisfactory to the prospective Investors, including customary representations and warranties made by the Company.

Expenses: Each party shall pay its own and expenses incurred in connection with the consummation of the proposed financing.

**Acknowledged and agreed**:

**COMPANY:**

**The Food Corridor, LLC**

By:

Name:

Title:

**INVESTORS:**

**[Name]**

By:

Name:

Title: