

NEITHER THIS CONVERTIBLE PROMISSORY NOTE NOR ANY SECURITIES ISSUABLE UPON CONVERSION HEREOF HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED. NO SALE OR DISPOSITION OF ANY SUCH SECURITIES MAY BE EFFECTED EXCEPT IN COMPLIANCE WITH RULE 144 UNDER SAID ACT OR AN EFFECTIVE REGISTRATION STATEMENT RELATED THERETO OR AN OPINION OF COUNSEL FOR THE HOLDER SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED UNDER THE ACT.

UNSECURED CONVERTIBLE PROMISSORY NOTE

\$ _____

Minneapolis, MN

For value received Goodneighbors - The Rune, LLC, a Minnesota limited liability company (the "**Company**"), promises to pay to _____ or its assigns ("**Holder**") the principal sum of \$ _____ together with accrued and unpaid interest thereon, each due and payable on the date and in the manner set forth below.

This convertible promissory note (the "**Note**") is issued as part of a series of similar convertible promissory notes (collectively, the "**Notes**") pursuant to the terms of that certain Convertible Promissory Note Purchase Agreement (as amended, the "**Agreement**") dated as of _____ to the persons and entities listed on the Schedule of Purchasers attached to the Agreement (collectively, the "**Holder**s"). Capitalized terms used herein without definition shall have the meanings given to such terms in the Agreement.

1 Repayment

All payments of interest and principal shall be in lawful money of the United States of America and shall be made pro rata among all Holders. All payments shall be applied first to accrued interest, and thereafter to principal. Unless earlier repaid or converted, as provided herein, the outstanding principal amount of the Note and accrued and unpaid interest thereon shall be due and payable upon request of the Requisite Holders on or after June 30, 2022 (the "**Maturity Date**").

2 Interest Rate

The Company promises to pay simple interest on the outstanding principal amount hereof from the date hereof until payment in full, which interest shall be payable at the rate of 7% per annum or the maximum rate permissible by law, whichever is less. Interest shall be due and payable on the Maturity Date and shall be calculated on the basis of a 365-day year for the actual number of days elapsed.

3 Conversion; Repayment Premium Upon Sale of the Company

- (a) The Notes Shall convert upon a "Triggering Event" pursuant to the terms herein.
- (b) In the event that a "Triggering Event" is not consummated prior to the Maturity Date, then, the outstanding principal balance and any unpaid accrued interest under this Note and each of the other Notes shall be converted into fully-paid, non-assessable common units in the Company at a conversion price equal to \$9,000,000 divided by the fully diluted number of issued and outstanding common units as of the Maturity Date.
- (c) If, after aggregation, the conversion of this Note would result in the issuance of a fractional unit, the Company may, at its option, in lieu of issuance of any fractional unit, pay the Holder otherwise entitled to such fraction a sum in cash equal to the product resulting from multiplying the then current fair market value of one unit of the class and series of units into which this Note has converted by such fraction.
- (d) Notwithstanding any provision of this Note to the contrary, in the event that the Company consummates a Sale of the Company (as defined below) prior to the conversion or repayment in full of this Note, (i) the Company will give the Holder at least five (5) days prior written notice of the anticipated closing date of such Sale of the Company and (ii) at the closing of such Sale of the Company, in lieu of the principal and interest that would otherwise be payable on the Maturity Date, the

Company will pay the Holder the greater of, (a) the principal amount, plus accrued interest, or (b) such amount per unit as would have been payable had this Convertible Note been converted into Common Units immediately prior to such Sale of the Company.

(e) For purposes of this Note:

- (i) “**Triggering Event**” shall mean either a) a Sale of the Company or b) a Qualifying Equity Raise.
- (ii) “**Qualifying Equity Raise**” If prior to the Maturity Date, the Company raised at least \$2,000,000 in any and all forms of equity securities, then the Note Holders’ notes will convert the principal amount (including unpaid accrued interest) into the Equity Securities issued at a conversion price equal to the per unit price paid by the purchasers of Equity Securities, less 10%.
- (iii) “**Sale of the Company**” shall mean (i) the closing of the sale, transfer or other disposition, in a single transaction or a series of related transactions, of all or substantially all of the Company’s assets; (ii) the consummation of a merger or consolidation of the Company with or into another entity (except a merger or consolidation in which the holders of units in the Company immediately prior to such merger or consolidation continue to hold a majority of the outstanding voting units in the Company or the surviving or acquiring entity immediately following the consummation of such transaction); or (iii) the closing of the transfer (whether by merger, consolidation or otherwise) in a single transaction or series of related transactions to a person or group of the Company’s units if, after such closing, such person or group would become the beneficial owner of more than fifty percent (50%) of the outstanding voting units of the Company (or the surviving or acquiring entity).
- (iv) “**Equity Securities**” shall mean the Company’s common units or any securities conferring the right to purchase the Company’s common units or securities convertible into, or exchangeable for (with or without additional consideration), the Company’s common units, except that such defined term shall not include any security (x) granted, issued and/or sold by the Company to any employee, director or consultant in such capacity or (y) issued upon the conversion or exercise of any option or warrant outstanding as of the date of this Note.

4 Maturity

Unless this Note has been previously converted in accordance with the terms of Sections 3(a) through (c) above or satisfied in accordance with the terms of Section 3(d) above, the entire outstanding principal balance and all unpaid accrued interest shall become fully due and payable on the Maturity Date.

5 Expenses

In the event of any default hereunder, the Company shall pay all reasonable attorneys’ fees and court costs incurred by Holder in enforcing and collecting this Note.

6 Prepayment

The Company may prepay this Note prior to the Maturity Date without the approval of the Requisite Holders.

7 Default

If there shall be an Event of Default hereunder, at the option and upon the declaration of the Requisite Holders and upon written notice to the Company (which election and notice shall not be required in the case of an Event of Default under Sections 7(c) or 7(d)), this Note shall accelerate and all outstanding principal and unpaid accrued interest shall become due and payable. The occurrence of any one or more of the following shall constitute an Event of Default:

- (a) The Company fails to pay timely any of the principal amount due under this Note on the date the same becomes due and payable or any accrued interest or other amounts due under this Note on the date the same becomes due and payable;
- (b) The Company shall default in its performance of any covenant under the Agreement or any Note;
- (c) The Company files any petition or action for relief under any bankruptcy, reorganization, insolvency or moratorium law or any other law for the relief of, or relating to, debtors, now or hereafter in effect, or makes any assignment for the benefit of creditors or takes any Company action in furtherance of any of the foregoing; or
- (d) An involuntary petition is filed against the Company (unless such petition is dismissed or discharged within 60 days under any bankruptcy statute now or hereafter in effect, or a custodian, receiver, trustee, assignee for the benefit of creditors (or other similar official) is appointed to take possession, custody or control of any property of the Company.

8 Waiver

The Company hereby waives demand, notice, presentment, protest and notice of dishonor.

9 Governing Law

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

10 Parity with Other Obligations

The Company's repayment obligation to the Holder under this Note shall be on parity with the Company's obligation to repay all Notes issued pursuant to the Agreement and equal to the Series A Preferred Unit obligations. In the event that the Company is obligated to repay the Notes and does not have sufficient funds to repay all the Notes in full, payment shall be made to the Holders of the Notes and Series A Members on a *pro rata* basis, based on the relative amount of principal, plus accrued interest or dividends then outstanding under all Notes and Series A Preferred Units, respectively. The preceding sentence shall not, however, relieve the Company of its obligations to the Holder hereunder.

11 Modification; Waiver

Any term of this Note may be amended or waived with the written consent of the Company and the Requisite Holders.

12 Assignment

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

Goodneighbors - The Rune, LLC
By:
Name: Ted Christianson
Its: Managing Member

[Signature page to Convertible Promissory Note of Goodneighbors - The Rune, LLC]