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): May 5, 2021

Aterian, Inc.
(Exact Name of Registrant as Specified in its Charter)

Delaware	**001-38937**	**83-1739858**
(State or Other Jurisdiction of Incorporation)	**(Commission File Number)**	**(IRS Employer Identification No.)**

Aterian, Inc.
37 East 18th Street, 7th Floor
New York, NY 10003
(Address of Principal Executive Offices)(Zip Code)

(347) 676-1681
(Registrant's telephone number, including area code)

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:

☐ 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:

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Stock, $0.0001 par value	**ATER**	**The Nasdaq Stock Market LLC**

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.

Acquisition of Assets from Squatty Potty, LLC

Asset Purchase Agreement

On May 5, 2021 (the "Closing Date"), Aterian, Inc. (the "Company") and its wholly owned subsidiary Truweo, LLC, a Delaware limited liability company ("Acquisition Sub" and together with the Company, "Purchaser"), entered into and closed the transactions contemplated by that certain Asset Purchase Agreement (the "Asset Purchase Agreement") with Squatty Potty, LLC, a Delaware limited liability company ("APA Seller"), and, only for the purposes of certain sections thereof, the key owners of APA Seller that are party thereto. Pursuant to the Asset Purchase Agreement, Purchaser, among other things, purchased and acquired certain of APA Seller's assets related to APA Seller's retail and ecommerce business under the brands Squatty Potty and Pootanicals (among others), which businesses are conducted through certain physical locations, virtual channels or websites, including amazon.com and squattypotty.com (such businesses collectively, the "Business" and the asset purchase, the "Asset Purchase"), and assumed certain liabilities of APA Seller.

As consideration for the Asset Purchase, Purchaser paid to APA Seller $19,040,008.71 in cash (the "APA Cash Purchase Price").

In addition to the APA Cash Purchase Price, following the Closing, APA Seller is also entitled to receive (i) up to a maximum of $3,983,104 (the "SP 2020 EBITDA Amount"), subject to achievement of certain contribution margin levels of the Business for the 12 month period ending on December 31, 2021, and (ii) a minimum of the SP 2020 EBITDA Amount and up to a maximum of $7,966,208 (or 2X the SP 2020 EBITDA Amount), subject to certain conditions in connection with the services to be performed under the Transition Services Agreement (as defined below), in each case as more fully described below.

Pursuant to the terms of the Asset Purchase Agreement if the aggregate contribution margin of the Business for the 12 month period ending on December 31, 2021 (the "Realized CM") is (i) equal or greater than $5,835,000 (the "Target CM"), then APA Seller shall be entitled to receive up to the SP 2020 EBITDA Amount or (ii) less than the Target CM, but equal to or greater than 85% of the Target CM, then APA Seller shall be entitled to receive an amount equal to (A) (x) Realized CM divided by (y) Target CM, multiplied by (B) the SP 2020 EBITDA Amount. The amount payable to APA Seller pursuant to either of the immediately preceding clauses (i) and (ii), as and if applicable, may be paid by the Company in the form of either cash, shares of common stock, par value $0.0001 per share, of the Company ("Common Stock"), or a combination thereof, at the election of APA Seller, and any shares of Common Stock so issued are referred to herein as the "APA Earn-Out Shares".

Pursuant to the terms of the Asset Purchase Agreement, as partial consideration for the services performed pursuant to the Transition Services Agreement, (i) on the date that is three months following the Closing Date, Purchaser shall pay to APA Seller an amount equal to the SP 2020 EBITDA Amount and (ii) if the date on which the Transition Services Agreement terminates in accordance with its terms occurs prior to the date that is six months following the Closing Date, Purchaser shall pay to APA Seller an amount equal to the SP 2020 EBITDA Amount. The amounts payable to APA Seller pursuant to the immediately preceding clauses (i) and (ii), as and if applicable, may be paid by the Company in the form of either cash, shares of Common Stock, or a combination thereof, at the election of APA Seller, and any shares of Common Stock so issued are referred to herein as the "Transition Payment Shares" and together with the APA Earn-Out Shares, the "APA Shares".

At any time the APA Seller elects to receive APA Shares, the number of shares issued in respect thereof will be based on a per share price equal to the lesser of the volume weighted average closing price of Common Stock for the 15 trading days immediately prior to the (x) Closing Date and (y) applicable payment date (rounded down to the nearest whole share). The aggregate maximum number of shares of Common Stock that are issuable under the Asset Purchase Agreement and any other transaction document contemplated thereby (including the Consulting Agreements (as defined below)) is 3,059,258 shares, which represents less than 9.99% of the total number of shares of Common Stock issued and outstanding immediately prior to the closing of the Asset Purchase.

The Asset Purchase Agreement contains customary representations, warranties and covenants of the Purchaser and APA Seller. Subject to certain customary limitations, APA Seller agreed to indemnify the Company and its officers, directors, employees and other authorized agents against certain losses related to, among other things, breaches of APA Seller's representations, warranties, covenants and agreements as well as any excluded liabilities described therein.

In connection with the Asset Purchase, the Company also agreed, pursuant to the Asset Purchase Agreement, to prepare and file a registration statement with the Securities and Exchange Commission (the "SEC") for the purpose of registering for resale any APA Shares. Under the Asset Purchase Agreement, the Company is required to file such registration statement with the SEC within 60 days following the date on which any such APA Shares are issued to APA Seller.

The foregoing summary of the Asset Purchase Agreement does not purport to be complete and is qualified in its entirety by reference to the full text of the Asset Purchase Agreement that is filed herewith as Exhibit 2.1.

The representations, warranties and covenants contained in the Asset Purchase Agreement were made only for purposes of such agreement and as of specific dates, were solely for the benefit of the parties to the Asset Purchase Agreement, and may be subject to limitations agreed upon by the contracting parties. Accordingly, the Asset Purchase Agreement is incorporated herein by reference only to provide investors with information regarding the terms of the Asset Purchase Agreement, and not to provide investors with any other factual information regarding the Company or its business, and should be read in conjunction with the disclosures in the Company's periodic reports and other filings with the SEC.

Voting and Standstill Agreement

In connection with the Asset Purchase, on May 5, 2021, APA Seller entered into a Voting and Standstill Agreement with the Company (the "Voting Agreement"), pursuant to which APA Seller agreed that from the Closing Date until the date that is the second anniversary thereof, so long as it and its affiliates collectively beneficially own any voting securities of the Company, except pursuant to a negotiated transaction with APA Seller approved by the board of directors of the Company (the "Board"), APA Seller will not (and will cause its affiliates not to) in any manner, directly or indirectly, among other things: (a) make, effect, initiate, cause or participate in (1) any acquisition of beneficial ownership of any securities of the Company or any securities of any subsidiary or other affiliate of the Company if such acquisition would result in APA Seller and its affiliates collectively beneficially owning 15% or more of the then outstanding voting securities of the Company, (2) any Company acquisition transaction, (3) any "solicitation" of "proxies" (as those terms are defined in Rule 14a-1 of the General Rules and Regulations under the Securities Exchange Act of 1934, as amended) or consents with respect to any securities of the Company or (4) frustrate or seek to frustrate any Company acquisition transaction proposed or endorsed by the Company; (b) recommend, nominate or seek to nominate any person to the Board or otherwise act, alone or in concert with others, to seek to control or influence the management, the Board or policies or governance of the Company; (c) demand an inspection of the Company's books and records whether pursuant to Section 220 of the General Corporation Law of the State of Delaware or otherwise; (d) institute, solicit, assist or join any litigation, arbitration or other proceeding against or involving the Company or any of its current or former directors or officers (including derivative actions); or (e) agree or offer to take, or encourage or propose (publicly or otherwise) the taking of, any of the foregoing actions, or assist, induce or encourage any other person to take any of the foregoing actions.

In addition, pursuant to the Voting Agreement and at all times prior to the termination date thereunder, APA Seller shall timely vote in person or by proxy at each annual or special meeting of the Company's stockholders all shares of Common Stock held by APA Seller in accordance with the recommendations of the Board on each matter presented to the Company's stockholders at such meeting or in any consent solicitation as set forth in the applicable definitive proxy statement, including without limitation the election, removal and/or replacement of directors.

The foregoing summary of the Voting Agreement does not purport to be complete and is qualified in its entirety by reference to the full text of the Voting Agreement that is filed herewith as Exhibit 10.1.

Consulting Agreements

In connection with the Asset Purchase Agreement and as of the Closing Date, Aterian Group, Inc. ("Acquisition Sub Parent") entered into consulting agreements (the "Consulting Agreements") with each of Bernie Kropfelder, Tani Alger and Jeff Ela (collectively, the "Consultants"). The Consultants will provide certain consulting services to Acquisition Sub Parent and its subsidiaries for up to six months and in consideration of such services and subject to the conditions set forth in the Consulting Agreements, the Company may issue up to a maximum of 26,578 shares of Common Stock to the Consultants in the aggregate (the "Consulting Shares"). As provided in the Consulting Agreements, if the Consultant is not an "accredited investor" as defined in Regulation D under the Securities Act of 1933, as amended (the "Securities Act"), such Consultant may receive cash in lieu of shares of Common Stock pursuant to the terms of the Consulting Agreement. The Consultants shall have piggy-back registration rights with respect to any such Consulting Shares.

The foregoing description of the Consulting Agreements does not purport to be complete and is qualified in its entirety to the full text of the Consulting Agreements that are filed herewith as Exhibits 10.2, 10.3 and 10.4.

Transition Services Agreement

In connection with the Asset Purchase and of as the Closing Date, Acquisition Sub entered into that certain Transition Services Agreement (the "Transition Services Agreement") with APA Seller. Pursuant to the Transition Services Agreement, APA Seller will provide certain transition services to Acquisition Sub for fees that will not exceed $122,766 per billing period, which period is 15 days. Such fees are in addition to the amounts that may become payable to APA Seller as partial consideration for the services performed pursuant to the Transition Services Agreement (as described above under the heading "Asset Purchase Agreement"). Acquisition Sub is entitled to reduce the services provided under the Transition Services Agreement (in whole or in part) immediately upon written notice to the APA Seller. Unless earlier terminated by the parties in accordance with the terms thereof, the Transition Services Agreement will terminate on the date that is the six month anniversary of the Closing Date.

The foregoing description of the Transition Services Agreement does not purport to be complete and is qualified in its entirety to the full text of the Transition Services Agreement that is filed herewith as Exhibit 10.5.

Acquisition of Photo Paper Direct Ltd

Stock Purchase Agreement

On May 5, 2021, Purchaser also entered into and closed the transactions contemplated by that certain Stock Purchase Agreement (the "Stock Purchase Agreement" and such closing, the "SPA Closing"), by and between Photo Paper Direct Ltd, a private limited company organized under the laws of England and Wales ("PPD"), Josef Eitan ("Owner"), and Ran Nir ("Beneficial Owner" and together with Owner, separately and collectively, "SPA Seller"). Pursuant to the Stock Purchase Agreement, Purchaser acquired 100% of the outstanding share capital of PPD (the "Stock Purchase").

As consideration for the Stock Purchase, Purchaser paid a total of £9,865,745.35 in cash (the "SPA Cash Purchase Price") and issued a total of 704,548 shares of Common Stock to Owner and Beneficial Owner, the cost basis of which was $15.72 (such basis being the closing price per share of Common Stock on May 5, 2021, as reported on The Nasdaq Stock Market LLC) (the "SPA Closing Shares").

In addition to the SPA Cash Purchase Price and the SPA Closing Shares, the Stock Purchase Agreement provides that Owner and Beneficial Owner shall be entitled to receive the following payments if PPD's EBITDA for the 12 month period ending December 31, 2021 (the "PPD 2021 EBITDA") equals or exceeds PPD's EBITDA for the 12 month period ended December 31, 2020 (the "PPD 2020 EBITDA"):

- If the PPD 2021 EBITDA equals or exceeds PPD 2020 EBITDA but is less than 120% of the PPD 2020 EBITDA, an aggregate amount in cash equal to 115% of the PPD 2021 EBITDA and an aggregate number of additional shares of Common Stock equal to (x) 35% of the PPD 2021 EBITDA, *divided by* (y) the volume-

weighted average closing price per share of Common Stock, as reported on The Nasdaq Stock Market LLC, for the 15 days ending on the trading day immediately prior to the issuance of the SPA Earn-out Shares (the "SPA Earn-Out Price").

- If the PPD 2021 EBITDA exceeds 120% of the PPD 2020 EBITDA, an aggregate amount in cash equal to 150% of the PPD 2021 EBITDA and an aggregate number of additional shares of Common Stock equal to (x) 50% of the PPD 2021 EBITDA, *divided by* (y) the SPA Earn-Out Price.

Any additional shares of Common Stock issued in respect of the foregoing earn-out payments are referred to herein as the "SPA Earn-Out Shares" and together with the SPA Closing Shares, the "SPA Shares". For the avoidance of doubt, if the PPD 2021 EBITDA is less than the PPD 2020 EBITDA, no additional payments will be made to Owner or Beneficial Owner.

The Stock Purchase Agreement contains customary representations, warranties and covenants of Purchaser and SPA Seller. Subject to certain customary limitations, SPA Seller agreed to indemnify the Company and its officers, directors, employees and other authorized agents against certain losses related to, among other things, breaches of SPA Seller's representations, warranties, covenants and agreements.

The foregoing summary of the Stock Purchase Agreement does not purport to be complete and is qualified in its entirety by reference to the full text of the Stock Purchase Agreement that is filed herewith as Exhibit 2.2.

The representations, warranties and covenants contained in the Stock Purchase Agreement were made only for purposes of such agreement and as of specific dates, were solely for the benefit of the parties to the Stock Purchase Agreement and may be subject to limitations agreed upon by the contracting parties. Accordingly, the Stock Purchase Agreement is incorporated herein by reference only to provide investors with information regarding the terms of the Stock Purchase Agreement, and not to provide investors with any other factual information regarding the Company or its business, and should be read in conjunction with the disclosures in the Company's periodic reports and other filings with the SEC.

Shareholder Agreements

In connection with the Stock Purchase, on May 5, 2021, the Company entered into a Shareholder Agreement with each of Owner and Beneficial Owner (the "Shareholder Agreements"), pursuant to which, commencing on the Closing Date and ending on the fifth anniversary thereof, Owner and Beneficial Owner each agreed that for so long as they and their affiliates collectively beneficially own any voting securities of the Company, except pursuant to a negotiated transaction with Owner or Beneficial Owner approved by the Board, Owner and Beneficial Owner will not (and will cause their respective affiliates not to) in any manner, directly or indirectly, among other things: (i) make, effect, initiate, cause or participate in (a) any acquisition of beneficial ownership of any securities of the Company or any securities of any subsidiary or other affiliate of the Company if such acquisition would result in such Person and its affiliates collectively beneficially owning 10% or more of the then outstanding voting securities of the Company, (b) any Company acquisition transaction, (c) any "solicitation" of "proxies" (as those terms are defined in Rule 14a-1 of the General Rules and Regulations under the Securities Exchange Act of 1934, as amended) or consents with respect to any securities of the Company or (d) frustrate or seek to frustrate any Company acquisition transaction proposed or endorsed by the Company or take any action which might force the Company to make a public announcement regarding any of the foregoing actions; (ii) recommend, nominate or seek to nominate any person to the Board or otherwise act, alone or in concert with others, to seek to control or influence the management, the Board or policies or governance of the Company; (iii) request or propose that the Company (or its directors, officers, employees or agents) directly or indirectly, amend or waive any provision of the Shareholder Agreements; (iv) demand an inspection of the Company's books and records whether pursuant to Section 220 of the General Corporation Law of the State of Delaware or otherwise; (v) institute, solicit, assist or join any litigation, arbitration or other proceeding against or involving the Company or any of its current or former directors or officers (including derivative actions) other than to enforce the provisions of the Shareholder Agreements or any rights available to such Person under the Stock Purchase Agreement; (vi) agree or offer to take, or encourage or propose (publicly or otherwise) the taking of, any of the foregoing actions; (vii) assist, induce or encourage any other person to take any of the foregoing actions; (viii) enter into any discussions, negotiations, agreements, understandings or arrangements with any third party with respect to the taking of any of the foregoing actions; or (ix) take any action challenging the validity of the terms of the foregoing unless the Company is challenging the validity or enforceability of the Shareholder Agreements.

Pursuant to the Shareholder Agreements and at all times prior to the termination date thereunder, each of Owner and Beneficial Owner shall timely vote in person or by proxy at each annual or special meeting of the Company's stockholders all shares of Common Stock held by such Person in accordance with the recommendations of the Board on each matter presented to the Company's stockholders at such meeting or in any consent solicitation as set forth in the applicable definitive proxy statement, including without limitation the election, removal and/or replacement of directors.

In connection with the Stock Purchase, the Company also agreed, pursuant to the Shareholder Agreements, to use commercially reasonable efforts to register the SPA Shares with the SEC pursuant to a shelf registration statement in connection with certain piggy back registration rights granted to the Owner and Beneficial Owner thereunder, in each case subject to the exceptions and limitations set forth in the Shareholder Agreements.

The foregoing summary of the Shareholder Agreements does not purport to be complete and is qualified in its entirety by reference to the full text of the Shareholder Agreements that are filed herewith as Exhibit 10.6 and Exhibit 10.7.

Item 2.01. Completion of Acquisition or Disposition of Assets.

The information set forth in Item 1.01 of this Current Report on Form 8-K regarding the Asset Purchase is incorporated herein by reference into this Item 2.01.

Item 3.02. Unregistered Sale of Securities.

The information set forth in Item 1.01 of this Current Report on Form 8-K is incorporated herein by reference into this Item 3.02 in its entirety.

Shares Issued in Connection with the Asset Purchase

At any time Transition Payment Shares are issued to APA Seller and in the event that any APA Earn-Out Shares are issued to APA Seller, such shares will be issued by the Company to APA Seller in reliance upon on Section 4(a)(2) of the Securities Act and Rule 506 of Regulation D thereunder. APA Seller represented that it was an "accredited investor," as defined in Regulation D, and will acquire the Transition Payment Shares and any APA Earn-Out Shares (if any) for investment only and not with a view towards, or for resale in connection with, the public sale or distribution thereof.

In the event that any Consulting Shares are issued to Consultants, such shares will be issued by the Company to Consultants in reliance upon on Section 4(a)(2) of the Securities Act and Rule 506 of Regulation D thereunder and the Consultants' representations that such Consultant is an "accredited investor," as defined in Regulation D, and is acquiring the Consulting Shares for investment only and not with a view towards, or for resale in connection with, the public sale or distribution thereof. As noted above, if any Consultant is not an "accredited investor" as defined in Regulation D under the Securities Act, such Consultant may receive cash in lieu of shares of Common Stock pursuant to the terms of the Consulting Agreement.

Except for the registration rights contemplated by the Asset Purchase Agreement and the piggy-back registration rights contemplated by the Consulting Agreements, the APA Earn-Out Shares (if any), the Consulting Shares (if any) and the Transition Payment Shares will not be, registered under the Securities Act and the APA Shares and the Consulting Shares may not be offered or sold in the United States absent registration or an exemption from registration under the Securities Act and any applicable state securities laws.

Shares Issued in Connection with the Stock Purchase

The SPA Closing Shares were offered and sold on May 5, 2021 in a transaction exempt from registration under the Securities Act, in reliance on Section 4(a)(2) thereof and Rule 506 of Regulation D thereunder or Regulation S, to the

extent applicable. In the event that any SPA Earn-Out Shares are issued to Owner and Beneficial Owner, such shares will be issued by the Company to the Owner and the Beneficial Owner in reliance upon on Section 4(a)(2) of the Securities Act and Rule 506 of Regulation D thereunder or Regulation S, to the extent applicable. Each of Owner and Beneficial Owner represented that it was an "accredited investor," as defined in Regulation D, and was acquiring the SPA Shares for investment only and not with a view towards, or for resale in connection with, the public sale or distribution thereof.

Except for the registration rights contemplated by the Shareholder Agreements, the SPA Closing Shares have not been, and the SPA Earn-Out Shares (if any) will not be, registered under the Securities Act and the SPA Shares may not be offered or sold in the United States absent registration or an exemption from registration under the Securities Act and any applicable state securities laws.

Neither this Current Report on Form 8-K nor the exhibits attached hereto is an offer to sell or the solicitation of an offer to buy shares of Common Stock or any other securities of the Company.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibit.

2.1*	Asset Purchase Agreement, dated May 5, 2021, by and among (i) Aterian, Inc. and Truweo, LLC, as Purchaser, (ii) Squatty Potty, LLC, and (iii) for the purposes of Section 5.7, Section 5.8, Section 5.11, Section 5.13 and Article VII, Edwards SP Holdings, LLC, Team Lindsey, LLC, SLEKT Investments, LLC, Sachs Capital Fund II, LLC, Sachs Capital-Squatty, LLC and Bevel Acquisition II, LLC
2.2*	Stock Purchase Agreement, dated May 5, 2021, by and among (i) Aterian, Inc. and Truweo, LLC, as Purchaser, (ii) Photo Paper Direct Ltd, (iii) Josef Eitan, and (iv) Ran Nir
10.1	Voting and Standstill Agreement, dated May 5, 2021, by and between Aterian, Inc. and Squatty Potty, LLC
10.2+	Consulting Agreement, dated May 5, 2021, by and between Aterian Group, Inc. and Bernie Kropfelder
10.3+	Consulting Agreement, dated May 5, 2021, by and between Aterian Group, Inc. and Tani Alger
10.4+	Consulting Agreement, dated May 5, 2021, by and between Aterian Group, Inc. and Jeff Ela
10.5+	Transition Services Agreement, dated May 5, 2021, by and between Squatty Potty, LLC and Truweo, LLC
10.6	Shareholder Agreement, dated May 5, 2021, by and between Aterian, Inc. and Josef Eitan
10.7	Shareholder Agreement, dated May 5, 2021, by and between Aterian, Inc. and Ran Nir
104	Cover Page Interactive Data File, formatted in Inline Extensible Business Reporting Language (iXBRL).

* Non-material schedules and exhibits have been omitted pursuant to Item 601(b)(2) of Regulation S-K. The Company hereby undertakes to furnish supplemental copies of any of the omitted schedules and exhibits upon request by the SEC.

\+ Non-material schedules and exhibits have been omitted pursuant to Item 601(a)(5) of Regulation S-K. The Company hereby undertakes to furnish supplemental copies of any of the omitted schedules and exhibits upon request by the SEC.

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.

ATERIAN, INC.

Date: May 11, 2021

By: /s/ Yaniv Sarig
Name: Yaniv Sarig
Title: President and Chief Executive Officer

Exhibit 2.1

ASSET PURCHASE AGREEMENT

among

ATERIAN, INC.

and

TRUWEO, LLC

as Purchaser

and

SQUATTY POTTY, LLC

as Seller

and

EDWARDS SP HOLDINGS, LLC, TEAM LINDSEY, LLC, SLEKT INVESTMENTS, LLC, SACHS CAPITAL FUND II, LLC, SACHS CAPITAL-SQUATTY, LLC AND BEVEL ACQUISITION II, LLC

as Key Owners

Dated Effective as of May 5, 2021

SCHEDULES

Schedule 1.1-RR	Other Brands & Product Lines
Schedule 1.1-AAA	Acquired Amazon Accounts
Schedule 1.1-AM	Acquired Marks
Schedule 1.1-AP	Acquired Patents
Schedule 2.1(a)(i)	Acquired Contracts
Schedule 2.1(a)(ii)	Transferred IP
Schedule 2.1(a)(vi)	Credits and Prepaid Deposits related to Specified Inventory
Schedule 2.1(b)(ii)	Excluded AR
Schedule 2.1(b)(v)	Excluded Contracts
Schedule 2.1(b)(xii)	Other Excluded Assets
Schedule 2.2(b)(xii)	Certain Other Excluded Liabilities
Schedule 2.5(h)	Consents
Schedule 2.5(k)	Consultants
Schedule 2.5(m)	IP Registration Amendments

DISCLOSURE SCHEDULES

Schedule 3.1(b)	Seller Jurisdictions
Schedule 3.1(e)	Affiliates
Schedule 3.2	No Violations
Schedule 3.3	Consents and Approvals; Permits
Schedule 3.5(a)	Financial Statements; Accounting and Internal Controls
Schedule 3.5(e)	Debt
Schedule 3.8	Absence of Changes or Events
Schedule 3.9(c)	Physical Location of Acquired Assets
Schedule 3.10(a)	Intellectual Property (Owned)
Schedule 3.10(g)	Intellectual Property (E-Commerce Assets Security Precautions)
Schedule 3.11	Acquired Contracts
Schedule 3.12	Litigation
Schedule 3.15	Suppliers
Schedule 4.5	Parent SEC Filings; Financial Statements; Undisclosed Liabilities

EXHIBITS

Exhibit A	Bill of Sale and Assignment and Assumption Agreement
Exhibit B	Trademark Assignment Agreement
Exhibit C	Patent Assignment Agreement
Exhibit D	Inventory Statement
Exhibit E	Voting and Standstill Agreement
Exhibit F	Transition Services Agreement
Exhibit G	Form of Consulting Agreement
Exhibit H	Selling Stockholder Questionnaire
Exhibit I	Target CM Calculation
Exhibit J	Key Owners' Indemnification Liability Percentages

ASSET PURCHASE AGREEMENT

This ASSET PURCHASE AGREEMENT (as may be amended, restated, supplemented or otherwise modified in accordance with Section 8.6, this "**Agreement**"), dated effective as of May 5, 2021, is among (i) Aterian, Inc., a Delaware corporation ("**Parent**"), and Truweo, LLC, a Delaware limited liability company and wholly owned subsidiary of Parent ("**Acquisition Sub**" and together with Parent, "**Purchaser**"), and (ii) Squatty Potty, LLC, a Delaware limited liability company ("**Seller**"), and (iii) solely for the purposes of Section 5.7, Section 5.8, Section 5.11, Section 5.13 and Article VII, Edwards SP Holdings, LLC, Team Lindsey, LLC, SLEKT Investments, LLC, Sachs Capital Fund II, LLC, Sachs Capital-Squatty, LLC and Bevel Acquisition II, LLC (collectively, the "**Key Owners**").

RECITALS

WHEREAS, Key Owners, directly or indirectly, own 85.37% of the issued and outstanding equity interests in Seller and will derive a substantial benefit from the Transactions;

WHEREAS, Seller is engaged in the retail and e-commerce businesses, including the design, marketing, sale and distribution of consumer and healthcare products and equipment such as adult stools, children stools, toilet sprays and ancillary products under the brands Squatty Potty, Pootanicals and those brands or product lines set forth on Schedule 1.1-RR, which businesses are conducted through certain physical locations, virtual channels or websites, including amazon.com and squattypotty.com (the "**Business**"); and

WHEREAS, Seller desires to sell and transfer to Purchaser or Purchaser Designees, and Purchaser desires to acquire (either directly or indirectly through one or more Purchaser Designees) and assume from Seller, all of the Acquired Assets and the Assumed Liabilities, free and clear of all Liens other than Permitted Liens and otherwise on the terms and subject to the conditions set forth herein.

AGREEMENT

In consideration of the foregoing and the mutual representations, warranties, covenants and agreements contained herein, as well as other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the Parties agree as follows:

ARTICLE I

DEFINITIONS

Section 1.1 Certain Defined Terms. For purposes of this Agreement:

"**2020 EBITDA Amount**" has the meaning set forth in Section 2.9(e).

"**3PL**" means third party logistics provider, including Seller pursuant to the terms of the Transition Services Agreement.

"**Acquired Amazon Accounts**" means those certain Amazon accounts set forth on Schedule 1.1-AAA and doing business under the names listed adjacent to such accounts, and the related Amazon Business Services Agreements.

"**Acquired Assets**" has the meaning set forth in Section 2.1(a).

"**Acquired Contracts**" has the meaning set forth in Section 2.1(a)(i).

"**Acquired Marks**" means the Trademarks set forth on Schedule 1.1-AM.

"**Acquired Patents**" means the Patents set forth on Schedule 1.1-AP.

"**Acquisition Sub**" has the meaning set forth in the Preamble.

"**Acquisition Sub Parent**" means Aterian Group, Inc.

"**Actual Closing Inventory**" has the meaning set forth in Section 2.8(a).

"**Actual Closing Inventory Paid Amount**" means, in respect of any given SKU of Specified Inventory, the aggregate amount of Costs that have been paid by Seller as of the Closing for the Actual Closing Inventory.

"**Actual Closing Inventory Payable Amount**" means, in respect of any given SKU of Specified Inventory, the aggregate amount of Costs that Seller has not paid (and for which Purchaser will be responsible for hereunder), including open purchase orders and accounts payable invoices, as applicable, as of the Closing Date for the Actual Closing Inventory.

"**Actual Closing Inventory Value**" means, in respect of any given SKU of Specified Inventory, an amount equal to (a) the Cost per unit *multiplied by* (b) the Actual Closing Inventory for such SKU.

"**Actual Closing Net Inventory Value**" means, in respect of any given SKU of Specified Inventory, an amount equal to (a) the Actual Closing Inventory Value *minus* (b) Actual Closing Inventory Payable Amount *plus* (c) Actual Closing Inventory Paid Amount.

"**Actual Post-Closing Inventory Adjustment Amount**" means an amount equal to (a) the Aggregate Actual Closing Net Inventory Value *minus* (b) the Aggregate Estimated Closing Net Inventory Value.

"**Affiliate**" means, with respect to any Person, any other Person that directly or indirectly controls, is controlled by or is under common control with such Person. As used herein, the term "control" means: (i) the power to vote at least 10% of the voting power of a Person, or (ii) the possession, directly or indirectly, of any other power to direct or cause the direction of the management and policies of such a Person, whether through ownership of voting securities, by contract or otherwise.

"**Affiliated Group**" means an affiliated group as defined in Section 1504 of the Code (or analogous combined, consolidated or unitary group defined under state, local or foreign income Tax Law).

"**Aggregate Actual Closing Inventory Paid Amount**" means the aggregate of the Actual Closing Inventory Paid Amount across all SKUs of Specified Inventory.

"**Aggregate Actual Closing Inventory Payable Amount**" means the aggregate of the Actual Closing Inventory Payable Amount across all SKUs of Specified Inventory.

"**Aggregate Actual Closing Inventory Value**" means the aggregate of the Actual Closing Inventory Value across all SKUs of Specified Inventory.

"**Aggregate Actual Closing Net Inventory Value**" means an amount equal to (a) the Aggregate Actual Closing Inventory Value *minus* (b) the Aggregate Actual Closing Inventory Payable Amount *plus* (c) the Aggregate Actual Closing Inventory Paid Amount.

"**Aggregate Estimated Closing Inventory Paid Amount**" means the aggregate of the Estimated Closing Inventory Paid Amount across all SKUs of Specified Inventory.

"**Aggregate Estimated Closing Inventory Payable Amount**" means the aggregate of the Estimated Closing Inventory Payable Amount across all SKUs of Specified Inventory.

"**Aggregate Estimated Closing Inventory Value**" means the aggregate of the Estimated Closing Inventory Value across all SKUs of Specified Inventory.

"**Aggregate Estimated Closing Net Inventory Value**" means the amount equal to the Aggregate Estimated Closing Inventory Value *minus* the Aggregate Estimated Closing Inventory Payable Amount *plus* the Aggregate Estimated Closing Inventory Paid Amount.

"**Agreement**" has the meaning set forth in the Preamble.

"**Allocation Schedule**" has the meaning set forth in Section 5.1(a).

"**Amazon**" means Amazon.com, Inc., a Delaware corporation, and its worldwide Affiliates.

"**Amazon Business Services Agreements**" means the terms of service agreements relating to the Acquired Amazon Accounts.

"**Ancillary Agreements**" means the Bills of Sale and Assignment and Assumption Agreements, the Trademark Assignment Agreement, the Patent Assignment Agreement, the Voting and Standstill Agreement and the Transition Services Agreement.

"**ASIN**" means Amazon Standard Identification Number, which is an alphanumeric unique identifier assigned by Amazon.com and its partners for product identification within the Amazon organization.

"**Assumed Liabilities**" has the meaning set forth in Section 2.2(a).

"**Audit Opinion**" has the meaning set forth in Section 3.5(c).

"**Balance Sheet Date**" has the meaning set forth in Section 3.5(a).

"**Bankruptcy and Equity Exception**" has the meaning set forth in Section 3.1(d).

"**Bills of Sale and Assignment and Assumption Agreements**" has the meaning set forth in Section 2.5(b).

"**Business**" has the meaning set forth in the Recitals.

"**Business Day**" means a day other than Saturday, Sunday or any other day on which banks in New York are required or authorized to be closed.

"**CARES Act**" means the Coronavirus Aid, Relief, and Economic Security Act (Pub. L. 116-136) and any administrative or other guidance published with respect thereto by any Governmental Authority (including IRS Notices 2020-22 and 2020-65), or any other Law or executive order or memorandum (including the Memorandum on Deferring Payroll Tax Obligations in Light of the Ongoing COVID-19 Disaster, dated August 8, 2020 (the "**Payroll Tax Executive Order**")) intended to address the consequences of COVID-19 (in each case, including any comparable provisions of state, local or non-U.S. Law and including any related or similar orders or declarations from any Governmental Authority), including any extension, amendment, supplement, revision or similar treatment of any such legislation or guidance.

"**Cash Purchase Price**" has the meaning set forth in Section 2.3.

"**Closing**" has the meaning set forth in Section 2.4.

"**Closing Date**" has the meaning set forth in Section 2.4.

"**Closing Payment**" has the meaning set forth in Section 2.7.

"**Code**" means the U.S. Internal Revenue Code of 1986, as amended.

"**Confidential Information**" means (a) any confidential, non-public or proprietary information with respect to the Business, the Acquired Assets, the Assumed Liabilities, including any related operations, clients, customers, prospects, personnel, properties, processes and products, financial, technical, commercial and other information (regardless of the form or format of the information or the manner or media in or through which it is provided to or otherwise obtained by Seller or Key Owners or their respective Representatives), any confidentiality or non-disclosure Contracts that Seller or Key Owners or their respective Representatives, have executed with other potential buyers of the Business, the Acquired Assets, the Assumed Liabilities and the existence and terms of any Transaction Document and (b) any analyses, compilations, studies, notes, copies, memoranda or other documents prepared by or for Seller or Key Owners or any of their respective Representatives, to the extent they contain or show such information; *provided* that "Confidential Information" shall not include information that was or becomes generally available to the public other than as a result of any direct or indirect act or omission by Seller or Key Owners or any of their respective Representatives.

"**Confidentiality Agreement**" means the Nondisclosure Agreement dated as of February 8, 2021, by and between Step-Up, Inc., a Delaware corporation, and Acquisition Sub Parent.

"**Consulting Agreements**" has the meaning set forth in Section 2.5(k)

"**Contracts**" means all contracts, agreements, licenses, indentures, notes, bonds, instruments, leases, mortgages, sales orders, purchase orders, arrangements, commitments, obligations and other understandings or undertakings of any nature, in any case whether written or oral, as well as any bids or proposals which, if accepted, would result in a binding contract, and all amendments, restatements, supplements or other modifications thereto or waivers thereunder.

"**Contribution Margin**" means the sales price per unit less selling commissions, costs of goods sold (measured in accordance with GAAP), warehouse costs, advertisement costs, fulfillment costs, and other variable costs related to the marketing and sale of relevant products, all determined using the standard accounting methods, principles, policies, practices and procedures agreed to between Purchaser and Seller as implemented in the calculation of the Target CM, being the Contribution Margin of the Business for the 12-month period ended on December 31, 2020, that is set forth on Exhibit I; *provided*, that in no event shall the marketing expenses used to determine the Realized CM exceed 18.76% of net sales (such net sales to be calculated in accordance with Exhibit I) for the 12-month period ending on the Measurement Date, inclusive of Amazon's marketing development funds/coop fees and Amazon's retail analytics premiums.

"**Cost**" means all costs incurred by a Party to procure or ship inventory, including manufacturing costs, freight costs, duties, import costs, insurance costs and levies and other similar costs.

"**Data Breach**" means (a) the accidental or unlawful destruction, loss, alteration, unauthorized disclosure of, or access to, Personal Data or other data, in either case, transmitted, stored, or otherwise Processed by Seller or a Service Provider on behalf of Seller or (b) any breach of Personal Data or other data that, in either case, would otherwise give rise to any obligations on behalf of Seller under Privacy Requirements.

"**Data Room**" has the meaning set forth in Section 8.14.

"**Disclosure Schedules**" has the meaning set forth in Article III.

"**Dispute**" has the meaning set forth in Section 8.16.

"**DLLCA**" has the meaning set forth in Section 3.1(c).

"**E-Commerce Assets**" means all website traffic, analytics Software and accounts, graphics, content, databases, forms, internal search engines, advertising on or relating to the websites, data, programming code, user and customer lists, consumer data and all other information and property as it pertains to the websites of the Business or the operation thereof, including all social media accounts, including Facebook, Twitter, Pinterest, YouTube, Google Plus, MySpace, comparison shopping accounts, Google AdWords accounts, Google Merchant Center accounts, Webmaster Tools accounts, Google Analytics accounts, Bing AdCenter accounts, and any other similar accounts, services or websites used in connection with any of the Business (and all users, fans or followers thereof), blogs, email accounts, servers, host accounts, applications, Software and platforms used by the Business' websites or its blog(s), and any other accounts, tools, extensions, application programming interfaces (APIs), electronic data interchanges (EDIs) or third party relationships or Software used by Seller to operate, or that has been collected or used during the operation of, the Business.

"**Earn-Out Consideration**" has the meaning set forth in Section 2.9(h).

"**Earn-Out Determination**" has the meaning set forth in Section 2.9(a).

"**Earn-Out Notice**" has the meaning set forth in Section 2.9(a).

"**Earn-Out Payment Dates**" has the meaning set forth in Section 2.9(g).

"**Earn-Out Reconciliation Period**" has the meaning set forth in Section 2.9(b).

"**Earn-Out Shares**" means any shares of Parent Common Stock that are issued as Earn-Out Consideration.

"**Estimated Closing Inventory**" has the meaning set forth in Section 2.5(d).

"**Estimated Closing Inventory Paid Amount**" means, in respect of any given SKU of Specified Inventory, the aggregate amount of Costs that have been paid by Seller as of the Inventory Statement Date for the Estimated Closing Inventory.

"**Estimated Closing Inventory Payable Amount**" means, in respect of any given SKU of Specified Inventory, the aggregate amount of Costs that Seller has not paid (and for which Purchaser will be responsible for hereunder), including open purchase orders and accounts payable invoices, as applicable, as of the Inventory Statement Date for the Estimated Closing Inventory.

"**Estimated Closing Inventory Value**" means, in respect of any given SKU of Specified Inventory, an amount equal to (a) the Cost per unit *multiplied by* (b) the Estimated Closing Inventory.

"**Estimated Closing Net Inventory Value**" means, in respect of any given SKU of Specified Inventory, an amount equal to (a) the Estimated Closing Inventory Value for such SKU *minus* (b) the Estimated Closing Inventory Payable Amount for such SKU *plus* (c) the Estimated Closing Inventory Paid Amount.

"**Estimated Closing Ordered Inventory**" has the meaning set forth in Section 2.5(d).

"**Estimated Total Units**" means, in respect of any given SKU of Specified Inventory, the sum of the (a) Estimated Closing Inventory *plus* (b) Estimated Closing Ordered Inventory.

"**Event**" means any event, change, development, effect, condition, circumstance, matter, occurrence or state of facts.

"**Excess Returns and Chargebacks**" has the meaning set forth in Section 2.12.

"**Exchange Act**" has the meaning set forth in Section 4.3.

"**Excluded AR**" has the meaning set forth in Section 2.1(b)(ii).

"**Excluded Assets**" has the meaning set forth in Section 2.1(b).

"**Excluded Contracts**" has the meaning set forth in Section 2.1(b)(v).

"**Excluded Liabilities**" has the meaning set forth in Section 2.2(b).

"**Expired Inventory**" means any Specified Inventory that, as of the Post-Closing Statement Date, has a "Use By", "Expiration Date" or other similar date reference within 180 days thereof, or any Specified Inventory that is damaged, broken, defective, spoiled or similarly rendered obsolete such that it is unsellable.

"**Export Approvals**" has the meaning set forth in Section 3.17.

"**Final Determination**" has the meaning set forth in Section 7.8.

"**Financial Statements**" has the meaning set forth in Section 3.5(a).

"**Firm**" has the meaning set forth in Section 8.16.

"**First Earn-Out Payment Date**" has the meaning set forth in Section 2.9(g).

"**First Transition Payment**" has the meaning set forth in Section 2.10(a).

"**First Transition Payment Date**" has the meaning set forth in Section 2.10(a).

"**Full Earn-Out Consideration Event**" has the meaning set forth in Section 2.9(a).

"**Fundamental Representations**" means, collectively, the representations and warranties contained in Section 3.1 (Organization and Qualification; Authorization), Section 3.2 (No Violation), Section 3.4 (Fair Consideration; No Fraudulent Conveyance), Section 3.9(a) (Assets), Section 3.10 (Intellectual Property), Section 3.14 (Taxes) and Section 3.26 (No Brokers or Finders).

"**GAAP**" means U.S. generally accepted accounting principles set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or in such other statements by such other entity as may be approved by a significant segment of the accounting profession that are applicable to the circumstances from time to time.

"**Government Official**" means, collectively, any officer or employee of a Governmental Authority, any Person acting for or on behalf of any Governmental Authority, any political party or official thereof and any candidate for political office.

"**Governmental Authority**" means any court, tribunal, arbitrator, authority, agency, commission, bureau, board, department, official, body or other instrumentality of the United States, any foreign country, or any domestic or foreign state, province, county, city, other political subdivision or any other similar body or organization exercising governmental or quasi-governmental power or authority.

"**Immediate Family**" means, with respect to any specified individual, such individual's spouse, parents, children, grandparents, grandchildren and siblings, including adoptive relationships and relationships through marriage, or any other relative of such person that resides in such person's home.

"**Improper Payment Laws**" means the United States Foreign Corrupt Practices Act of 1977, any legislation implementing the Organisation for Economic Cooperation and Development Convention on Combating Bribery of Foreign Official in International Business Transactions, and any other applicable Law regarding anti-bribery or illegal payments or gratuities.

"**Independent Accountant**" means a nationally recognized firm of independent certified public accountants to be mutually agreed on, which shall be one of the big four accounting firms, other than Seller's accountant and Purchaser's accountant.

"**Independent Auditor**" has the meaning set forth in Section 3.5(c).

"**Intellectual Property**" means, collectively, in the United States and all countries or jurisdictions foreign thereto, (a) all inventions (whether patentable or unpatentable and whether or not reduced to practice), all improvements thereto, and all Patents, (b) all Trademarks, all goodwill associated therewith, and all applications, registrations, and renewals in connection therewith, (c) all moral rights, copyrights and other rights in any work of authorship, compilation, derivative work or mask work and all applications, registrations, and renewals in connection therewith, (d) all trade secrets, data (including raw data, technical data, clinical trial data, and test results), (e) databases, confidential information, ideas, research and development, know-how, methods, formulas, compositions, manufacturing and production processes and techniques, regulatory filings, submissions, and correspondence, results, analyses, studies, designs, drawings, specifications, customer and supplier lists, pricing and cost information, and business and marketing plans and proposals, (f) Software, (g) all rights to privacy, including name, image and likeness rights, (h) all other proprietary and intellectual property rights, (i) all copies and tangible embodiments of any of the foregoing (in whatever form or medium), (j) the exclusive right to display, perform, reproduce, make, use, sell, distribute, import, export and create derivative works or improvements based on any of the foregoing, and (k) all income, royalties, damages and payments related to any of the foregoing (including damages and payments for past, present or future infringements, misappropriations or other conflicts with any intellectual property), and the right to sue and recover for past, present or future infringements, misappropriations or other conflict with any intellectual property.

"**International Trade Laws**" means any applicable (a) Sanctions, (b) U.S. export control Laws (including the International Traffic in Arms Regulations (22 CFR §§ 120-130, as amended), the Export Administration Regulations (15 CFR §§ 730-774, as amended) and any regulation, order, or directive promulgated, issued or enforced pursuant to such laws), (c) laws pertaining to imports and customs, including those administered by the Bureau of Customs and Border Protection in the U.S. Department of Homeland Security (and any successor thereof) and any regulation, order, or directive promulgated, issued or enforced pursuant to such laws, (d) the anti-boycott laws administered by the U.S. Department of Commerce and the U.S. Department of the Treasury and (e) export, import and customs Laws of other countries in which Seller has conducted or currently conduct business.

"**Inventory Determination Date**" has the meaning set forth in Section 2.8(c).

"**Inventory Reconciliation Period**" has the meaning set forth in Section 2.8(c).

"**Inventory Statement**" has the meaning set forth in Section 2.5(d).

"**Inventory Statement Date**" means May 5, 2021.

"**IP Registration Amendments**" has the meaning set forth in Section 2.5(m).

"**Issuance Date**" has the meaning set forth in Section 5.16(b).

"**Key Owners**" has the meaning set forth in the Preamble.

"**Latest Balance Sheet**" has the meaning set forth in Section 3.5(a).

"**Law**" means the common law of any state or other jurisdiction, or any provision of any foreign, federal, state or local law, statute, code, rule, regulation, Order, certification standard, accreditation standard, Permit, judgment, regulatory code of practice, statutory guidance, injunction, decree or other decision of any court or other tribunal or Governmental Authority.

"**Liabilities**" means any indebtedness, liabilities, demands, commitments, purchase orders, warranties, product liabilities, or obligations of any nature whatsoever, whether accrued or unaccrued, absolute or contingent, direct or indirect, asserted or unasserted, fixed or unfixed, known or unknown, choate or inchoate, perfected or unperfected, liquidated or unliquidated, secured or unsecured, or otherwise, whether due or to become due, whether arising out of any Contract or tort based on negligence or strict liability and whether or not the same would be required by GAAP to be stated in financial statements or disclosed in the notes thereto, and however arising and including all fees, costs and expenses related thereto.

"**Liens**" means all liens, security interests, claims, mortgages, deeds of trust, preemptive rights, leases, charges, options, rights of first refusal, easements, proxies, voting trusts or agreements, transfer restrictions, pledges, assessments, covenants, burdens and other encumbrances of every kind, including restrictions on voting or use.

"**Losses**" means any and all Liabilities, losses, damages (including consequential damages), judgments, awards, settlements, royalties, interest, penalties, fines, Taxes, demands, Proceedings, claims, deficiencies, costs and expenses of any kind (including reasonable fees and expenses of attorneys, accountants and other experts paid in connection with the investigation or defense of any of the foregoing or any Proceeding relating to any of the foregoing), excluding punitive damages except to the extent paid or payable by a Purchaser Indemnified Party to a third party in respect of a Third Party Claim.

"**Measurement Date**" has the meaning set forth in Section 2.9(a).

"**Nasdaq**" means the Nasdaq Stock Market, LLC.

"**Non-Assignable Assets**" has the meaning set forth in Section 2.1(c)(i).

"**Non-Paying Party**" has the meaning set forth in Section 5.1(b).

"**OFAC**" has the meaning set forth in the definition of Sanctions.

"**Order**" means any order, judgment, ruling, injunction, award, stipulation, assessment, decree or writ, whether preliminary or final, of any Governmental Authority.

"**Parent**" has the meaning set forth in the Preamble.

"**Parent Common Stock**" shall mean the common stock, par value $0.0001 per share, of Parent.

"**Parent SEC Documents**" has the meaning set forth in Section 4.5.

"**Partial Earn-Out Consideration Event**" has the meaning set forth in Section 2.9(d).

"**Party**" means any party to this Agreement.

"**Patent Assignment Agreement**" has the meaning set forth in Section 2.5(d).

"**Patents**" means all patents and pending applications for patents of the United States and all countries and jurisdictions foreign thereto and all reissues, reexamined patents, divisions, continuations, continuations-in-part, revisions, and extensions thereof.

"**Paying Party**" has the meaning set forth in Section 5.1(b).

"**Permits**" means permits, licenses, registrations, consents, certificates, grants, waivers, qualifications, approvals and all other authorizations by or of Governmental Authorities.

"**Permitted Lien**" means (a) statutory Liens for Taxes not yet due and payable, (b) statutory Liens of landlords for amounts not yet due and payable, and (c) Liens of carriers, warehousemen, mechanics and materialmen incurred in the ordinary course of business for amounts not yet due and payable.

"**Person**" means any individual, sole proprietorship, partnership, limited liability company, joint venture, trust, unincorporated association, corporation, firm or other entity or any Governmental Authority.

"**Personal Data**" means (a) all data that identifies an individual or, in combination with any other information or data available to Seller, is capable of identifying or locating an individual or (b) as the terms "personal data," "personal information," "personally-identifiable information," or similar terms, are otherwise defined under Privacy Laws.

"**Post-Closing Statement**" has the meaning set forth in Section 2.8(a).

"**Post-Closing Statement Date**" has the meaning set forth in Section 2.8(a).

"**Privacy Laws**" means (a) all applicable Laws relating to the Processing of data (including Personal Data), data privacy, or information security, such as the Federal Trade Commission Act, the Telephone Consumer Protection Act, the Health Insurance Portability and Accountability Act, the Health Information Technology for Economic and Clinical Health, the California Consumer Privacy Act of 2018, state privacy laws, state health laws, state data breach laws, and the General Data Protection Regulation 2016/679 and all implementation legislation relating thereto and (b) the Payment Card Information Data Security Standards and any other applicable self-regulatory frameworks, codes of conduct, or similar rules or regulations.

"**Privacy Requirements**" has the meaning set forth in Section 3.10(h).

"**Proceeding**" means any suit, action, cause of action, litigation, hearing, inquiry, examination, demand, proceeding, controversy, complaint, appeal, notice of violation, citation, summons, subpoena, arbitration, mediation, dispute, claim, allegation, investigation or audit of any nature whether civil, criminal, quasi criminal, indictment, administrative, regulatory or otherwise and whether at Law or in equity.

"**Process**," "**Processed**," or "**Processing**" means the collection, use, storage, processing, distribution, transfer, import, export, protection (including via security measures), disposal, disclosure, or other activity regarding data (whether electronically or in any other form or medium), including Personal Data.

"**Protected Communications**" has the meaning set forth in Section 8.16.

"**Purchase Price**" has the meaning set forth in Section 2.3.

"**Purchaser**" has the meaning set forth in the Preamble.

"**Purchaser Designees**" has the meaning set forth in Section 5.6.

"**Purchaser Indemnified Parties**" means Parent, Acquisition Sub and their respective Affiliates, equityholders, officers, directors, managers, employees, attorneys, accountants, consultants, financial advisors and other agents.

"**Purchaser's Closing Deliverables**" has the meaning set forth in Section 2.6.

"**R&W Insurance Policy**" means that certain representation and warranty insurance policy to be purchased by Purchaser in connection with the execution and delivery of this Agreement, a copy of which has been provided to Seller on or before the Closing Date.

"**Realized CM**" has the meaning set forth in Section 2.9(a).

"**Related Party**" with respect to any specified Person, means: (i) any Affiliate of such specified Person (provided, that with respect to Seller, the subsidiaries of Seller shall not be included as Affiliates for the purposes of this definition, and with respect to any subsidiary of Seller, Seller and the other subsidiaries of Seller shall not be included as Affiliates for the purposes of this definition), or any Representative of such Affiliate, (ii) any person who serves as a director, manager, partner, member or in a similar capacity of such specified Person, (iii) any Immediate Family member of a person described in clause (ii), or (iv) any other Person that holds, individually or together with any Affiliate of such other Person and any members of such person's Immediate Family, more than 5% of the outstanding equity or ownership interests of such specified Person.

"**Released Parties**" has the meaning set forth in Section 5.8(a).

"**Representative**" means, with respect to any Person, such Person's respective directors, officers, managers, managing member, employees, representatives, agents, attorneys, consultants, accountants, bankers or advisors.

"**Restricted Period**" has the meaning set forth in Section 5.7(a).

"**Rule 3-05B Financial Statements**" means audited financial statements for the Business for the year ended December 31, 2020 and the unaudited interim financial statements for the Business for the three month period ended March 31, 2021.

"**Sanctions**" means economic or financial sanctions, requirements or trade embargoes imposed, administered or enforced from time to time by U.S. Governmental Authorities (including the Office of Foreign Assets Control ("**OFAC**"), the U.S. Department of State and the U.S. Department of Commerce), the United Nations Security Council, the European Union, Her Majesty's Treasury or any other relevant Governmental Authority.

"**SEC**" means the U.S. Securities and Exchange Commission.

"**Second Earn-Out Payment Date**" has the meaning set forth in Section 2.9(g).

"**Second Transition Payment**" has the meaning set forth in Section 2.10(b).

"**Second Transition Payment Date**" has the meaning set forth in Section 2.10(b).

"**Securities Act**" means the Securities Act of 1933, as amended.

"**Seller**" has the meaning set forth in the Preamble.

"**Seller Certificate**" means a certificate in form and substance reasonably satisfactory to Purchaser, dated as of the Closing Date and duly executed and delivered by Seller, certifying that attached thereto are (i) true, complete and accurate copies of the organizational documents of Seller (and the certificate of incorporation or comparable organizational document of Seller shall also be certified as of a recent date by the Secretary of State of the State of Seller's jurisdiction of organization), and (ii) a true, complete and accurate copy of resolutions duly adopted by the board of directors (or comparable governing body) of Seller adopting and approving the Transaction Documents to which Seller is a party.

"**Seller's Closing Deliverables**" has the meaning set forth in Section 2.5.

"**Seller Group**" has the meaning set forth in Section 8.16.

"**Seller Indemnifying Parties**" has the meaning set forth in Section 7.1(c).

"**Seller Intellectual Property**" has the meaning set forth in Section 3.10(b).

"**Seller's knowledge**" or any similar phrases or qualification based on the knowledge of Seller of like import means, (i) the actual knowledge of any of Bernie Kropfelder, Tani Alger or Jeff Ela, and (ii) the knowledge that any such person referenced in clause (i) above, as a prudent business person, would have obtained after exerting commercially reasonable efforts to make due inquiry with respect to the particular matter in question.

"**Seller Taxes**" means any Taxes (a) of or imposed on Seller or any of its Affiliates for any taxable period, (b) imposed on or with respect to the Business or the Acquired Assets for any taxable period (or portion thereof) ending on or before the Closing Date, including any Straddle Period Taxes allocable to Seller pursuant to this Agreement and any Taxes arising with respect to any compensation or employee benefit obligations for Seller's employees or former employees arising on or prior to the Closing Date, (c) imposed in connection with the transactions contemplated by this Agreement, including any Transfer Taxes and (d) imposed on Purchaser or any of its Affiliates as a transferee or successor of Seller or any of its Affiliates.

"**Selling Stockholder Questionnaire**" has the meaning set forth in Section 5.16(h)(i).

"**Service Provider**" means each director, officer, employee, manager, independent contractor, consultant, leased employee or other service provider of Seller; *provided* that Service Provider shall not include third-party software or services such as advertising agencies, 3PLs and accounting service or any other Person who is not controlled by Seller or any of Seller's Affiliates.

"**Services Termination Date**" has the meaning set forth in Section 2.10(b).

"**Share Cap**" has the meaning set forth in Section 2.11.

"**SKU**" means a stock-keeping unit maintained by a business in respect of a product or good in which it trades.

"**Software**" means all websites, computer software and firmware (including source code, executable code, data, databases, user interfaces and related documentation).

"**Specified Inventory**" has the meaning set forth in Section 2.1(a)(v).

"**Straddle Period Tax**" has the meaning set forth in Section 5.1(b).

"**Supplier**" has the meaning set forth in Section 3.15.

"**Target CM**" means five million eight hundred thirty-five thousand Dollars ($5,835,000).

"**Tax**" means any and all multi-national, federal, state, local or foreign income, gross receipts, franchise, estimated, alternative minimum, add-on minimum, sales, use, transfer, registration, value added, excise, natural resources, entertainment, amusement, severance, stamp, occupation, premium, windfall profit, environmental, customs, duties, real property, personal property, *ad valorem*, capital stock, social security, unemployment, disability, payroll, license, employee or other withholding, composite, healthcare, escheat or unclaimed property (whether or not considered a tax under applicable Law), or other tax, assessment, duty, fee, or similar charge of any kind whatsoever, including any interest, penalties or additions to Tax, any penalties resulting from any failure to timely or properly file a Tax Return, or additional amounts in respect of the foregoing; the foregoing shall include any transferee or secondary liability for a Tax and any liability assumed by agreement or arising as a result of being (or ceasing to be) a member of any Affiliated Group (or being included (or required to be included) in any Tax Return relating thereto).

"**Tax Contest**" has the meaning set forth in Section 5.1(d).

"**Tax Returns**" means returns, declarations, reports, notices, forms, claims for refund, information returns or other documents (including any related or supporting schedules, statements or information, and including for the avoidance of doubt all Forms 1099, FinCEN Form 114, Form TD F 90-22.1 and any predecessor or successor forms thereto) filed or required to be filed with any Governmental Authority, or maintained by any Person, or required to be maintained by any Person, in connection with the determination, assessment or collection of any Tax of any party or the administration of any Laws, regulations or administrative requirements relating to any Tax.

"**Third Party Claim**" has the meaning set forth in Section 7.3(a).

"**Trademark Assignment Agreement**" has the meaning set forth in Section 2.5(c).

"**Trademarks**" means, in the United States and all countries and jurisdictions foreign thereto, registered trademarks, registered service marks, trademark and service mark applications, unregistered trademarks and service marks, registered trade names and unregistered trade names, corporate names, fictitious names, registered trade dress and unregistered trade dress, logos, slogans, Internet domain names, rights in telephone numbers, and other indicia of source, origin, endorsement, sponsorship or certification, together with all translations, adaptations, derivations, combinations and renewals thereof.

"**Trading Day**" means a day on which Nasdaq is open for trading.

"**Transaction Documents**" means this Agreement and the Ancillary Agreements and any other schedule, certificate, instrument or other document contemplated thereby, but not including the Consulting Agreements.

"**Transaction Expenses**" means (a) all of the fees, costs and expenses incurred by Seller, any Key Owners or any of their respective Affiliates in connection with the Transactions or any transaction or series of transactions similar to such transactions, including all fees, costs and expenses payable to attorneys, financial advisors, accountants, consultants or other advisors, as well as any expenses incurred in connection with the potential sale of the Business that are not specific to this Transaction, (b) all payments by Seller, any Key Owners or any of their respective Affiliates to obtain any third party consent required under any Contract in connection with the consummation of the Transactions, and (c) all obligations that arise in whole or in part as a result of the consummation of the Transactions, under any Contract or employee benefit plan in effect on or before the Closing Date, including all change of control, severance, retention, stock appreciation, phantom stock or similar obligations or any other accelerations of or increases in rights or benefits, and all Taxes that are payable in connection with or as a result of the satisfaction of such obligations.

"**Transactions**" means the transactions contemplated by the Transaction Documents.

"**Transfer Taxes**" has the meaning set forth in Section 5.1(c).

"**Transition Payment Dates**" has the meaning set forth in Section 2.10(b).

"**Transition Payment Shares**" means any shares of Parent Common Stock that are issued as Transition Services Consideration.

"**Transition Services Agreement**" has the meaning set forth in Section 2.5(j).

"**Transition Services Consideration**" has the meaning set forth in Section 2.10(b).

"**Treasury Regulations**" means the Treasury Regulations promulgated under the Code.

"**U.S.**" or "**United States**" means the United States of America.

"**USPTO**" has the meaning set forth in Section 2.5(m).

"**Voting and Standstill Agreement**" has the meaning set forth in Section 2.5(f).

ARTICLE II
PURCHASE AND SALE; CLOSING

Section 2.1 Acquired Assets and Excluded Assets.

(a) Acquired Assets. On the terms and subject to the conditions set forth in this Agreement, upon the Closing, Purchaser or a Purchaser Designee shall purchase and acquire from Seller, and Seller shall sell, convey, assign, transfer, and deliver to Purchaser or a Purchaser Designee, all of Seller's right, title and interest as of the Closing in all properties, assets, rights and interests of any kind, whether tangible or intangible, real or personal, and wherever located, that are owned, used, or held for use by Seller in connection with or otherwise related to the Business, except for the Excluded Assets (the "**Acquired Assets**"), free and clear of all Liens other than Permitted Liens, including the following:

(i) all Contracts related to the Business to which Seller is a party and all rights of Seller thereunder, including but not limited to the Amazon Business Services Agreements and terms of service agreements for WalMart and eBay's e-commerce platforms set forth on Schedule 2.1(a)(i) and any Contracts related to the sale of products in any physical retail space, and excluding the Excluded Contracts (the "**Acquired Contracts**");

(ii) all Intellectual Property, including the Acquired Marks, Acquired Patents, E-Commerce Assets and other Intellectual Property set forth on Schedule 2.1(a)(ii);

(iii) the Acquired Amazon Accounts;

(iv) all lists, records and other information pertaining to accounts, personnel and referral sources, vendors, suppliers, licensors and customers, all advertising, marketing and promotional materials, and all drawings, diagrams, reports, studies, plans, books, ledgers, files and business and accounting records of every kind (including all financial, business and marketing plans), in each case whether evidenced in writing, electronic data, computer software or otherwise;

(v) all finished goods inventory, goods in transit, returned goods, other goods available for sale, work-in-process inventory and raw materials, in each case as set forth on the Inventory Statement ("**Specified Inventory**");

(vi) all credits, prepaid expenses and security deposits related to the Specified Inventory, including those set forth on Schedule 2.1(a)(vi);

(vii) all claims and proceeds under all insurance policies of Seller that provide coverage with respect to any of the Acquired Assets;

(viii) all claims, refunds, credits, causes of action, rights of recovery and rights of set-off of any kind (other than those related to Excluded Assets or Excluded Liabilities); and

(ix) all goodwill associated with the Business or any of the Acquired Assets.

To the extent any assets or property (including any Intellectual Property) owned by an Affiliate of Seller are used in, held for use in, or are reasonably necessary for the continued conduct of the Business (other than the Excluded Assets), they shall be included within the defined term "Acquired Assets" for purposes hereof if they would have been so included had they been owned by Seller, and Seller shall cause such Affiliate, to convey such assets and property to Purchaser free and clear of all Liens other than Permitted Liens for no additional consideration.

(b) Excluded Assets. The following properties, assets, rights and interests of Seller (collectively, the "**Excluded Assets**") are expressly excluded from the purchase and sale contemplated hereby and as such are not included in the Acquired Assets:

(i) all cash and cash equivalents;

(ii) all accounts receivable (billed and unbilled) and notes receivable held by Seller, and any security, claim, remedy or other right related to any of the foregoing, including the accounts receivable listed on Schedule 2.1(b)(ii) (the "**Excluded AR**");

(iii) all claims, causes of action, rights of recovery and rights of setoff and all rights to receive mail and communications, in each case with respect to the Excluded Assets and the Excluded Liabilities;

(iv) Seller's rights under or pursuant to the Transaction Documents;

(v) all Contracts, if any, listed on Schedule 2.1(b)(v) (collectively, the "**Excluded Contracts**");

(vi) all owned real property, including all plants, buildings, fixtures and other improvements located on such real property and all easements, licenses, rights of way, permits and appurtenances to all owned real property (including all appurtenant rights in and to public streets, whether or not vacated);

(vii) any leasehold or subleasehold estate or other right to use or occupy any interest in real property, including any Contract pursuant to which Seller leases or otherwise has the right to use or occupy any interest in real property;

(viii) the company seals, organizational documents, minute books, member books, books of account or other records having to do with the legal organization of Seller, all employee-related or employee-benefit-related files or records, Tax Returns of Seller, and the other books and records which Seller is prohibited from disclosing or transferring to Purchaser under applicable Law, or is required by applicable Law to retain copies of;

(ix) all insurance policies of Seller, and any rights to applicable claims and proceeds thereunder, but only to the extent such claims and proceeds do not arise in respect of the Acquired Assets;

(x) all Tax assets (including Tax refunds and prepayments) of Seller or any of its Affiliates;

(xi) all employee benefit plan assets and other assets attributable thereto; and

(xii) all of the properties, assets, rights and interests, if any, listed on Schedule 2.1(b)(xii).

(c) Non-Assignable Assets.

(i) To the extent that the sale, assignment, transfer or conveyance hereunder of any Acquired Asset is not permitted under applicable Law or is not permitted without the consent, authorization approval or waiver of any other Person (each, a "**Non-Assignable Asset**"), and such consent, authorization, approval or waiver is not obtained prior to the Closing, then, notwithstanding anything to the contrary in this Agreement or any Ancillary Agreement, this Agreement, such Ancillary Agreement, and any related instruments of transfer shall not constitute an assignment of the Non-Assignable Asset and except as specified in this Section 2.1(c), Purchaser shall assume no Liabilities thereunder or with respect thereto.

(ii) To the extent permitted by applicable law, all such Non-Assignable Assets shall be held, as of and from the Closing Date, by Seller or its applicable Affiliates in trust for Purchaser and the covenants and obligations thereunder shall be performed by Purchaser in Seller or its applicable Affiliate's name and all benefits and obligations existing thereunder shall be for Purchaser's account. Seller shall take or cause to be taken at Purchaser's expense such actions in its name or otherwise as Purchaser may reasonably request so as to provide Purchaser with the benefits of any Non-Assignable Asset and to effect collection of money or other consideration received by it or by them in respect of any Non-Assignable Asset. With respect to any Non-Assignable Asset, following the Closing, Seller and its applicable Affiliates will continue to use their respective commercially reasonable efforts to obtain such consent, authorization, approval or waiver so as to be able to transfer such Non-Assignable Asset to Purchaser; *provided*, that, Seller shall bear the costs associated with such actions. Until such time as Seller or its applicable Affiliate has obtained the applicable consent, authorization, approval or waiver, Seller will, and will cause its applicable Affiliates to, (A) comply with this Section 2.1(c), (B) cooperate with Purchaser to enforce the terms of any Contract or Permit that is a Non-Assignable Asset, including terms relating to confidentiality and licensed Intellectual Property, and (C) cooperate with Purchaser in its efforts to continue and maintain for the benefit of Purchaser those business relationships of the Business existing prior to the Closing and relating to any Non-Assignable Asset.

(iii) Once such consent, authorization or approval is obtained, (A) the applicable Non-Assignable Asset will be deemed to have been automatically transferred to Purchaser or the applicable Purchaser Designee on the terms set forth in this Agreement and will be deemed to be an Acquired Asset, (B) the Liabilities arising out of the use, performance, ownership or operation of the applicable Non-Assignable Asset will be deemed to be Assumed Liabilities (except those Liabilities that are Excluded Liabilities), and (C) the rights pursuant to the applicable Non-Assignable Asset will be deemed to be Acquired Assets.

Section 2.2 Assumed Liabilities and Excluded Liabilities.

(a) Assumed Liabilities. On the terms and subject to the conditions set forth in this Agreement, as additional consideration for the Acquired Assets, upon the Closing, Purchaser or a Purchaser Designee shall assume only the following Liabilities of Seller (the "**Assumed Liabilities**"):

(i) accounts payable related to the Specified Inventory; and

(ii) all executory obligations under the Acquired Contracts required to be paid, performed or otherwise discharged after the Closing Date, but in any event not including any Liability arising from the performance, non-performance, breach or default of or under, any torts related to the performance of, or violation of Law or infringements under, any such Acquired Contracts to the extent occurring or arising, in whole or in part, prior to the Closing.

(b) Excluded Liabilities. Notwithstanding anything to the contrary in the Transaction Documents and regardless of whether such Liability is disclosed in the Disclosure Schedules or otherwise, other than the Assumed Liabilities, neither Purchaser nor any Purchaser Designee shall assume or in any way become liable for any Liabilities of Seller, including any Liabilities arising out of or related to the Business or the Acquired Assets, regardless of when or by whom asserted (collectively, the "**Excluded Liabilities**"), and provided that "Excluded Liabilities" shall also include the following Liabilities of Seller and its Affiliates:

(i) all Liabilities to fund checks written or similar transactions authorized, by Seller that are outstanding on or before the Closing Date;

(ii) all Seller Taxes;

(iii) all indebtedness and any guarantees of indebtedness of any Person;

(iv) all Transaction Expenses;

(v) all Liabilities under (A) any Acquired Contract to the extent relating to or arising from any breach on or prior to the Closing Date, or any event, circumstance or condition first occurring or existing on or prior to the Closing Date that with notice, lapse of time or both would constitute or result in a breach by Seller of any of its obligations under any Contract or (B) any Contract that is not an Acquired Contract;

(vi) all Liabilities with respect to any of the Excluded Assets (including under any Contracts related thereto);

(vii) all Liabilities relating to or arising from any fraudulent conveyance or similar claims made by any third party or any claims made by Seller or any of its Affiliates relating to or arising from any payment made by Purchaser or a Purchaser Designee to Seller or at the direction of Seller in accordance with the terms hereof;

(viii) all Liabilities imposed on Purchaser or a Purchaser Designee under any bulk transfer Law or any common law doctrine of de facto merger or successor liability, which is related to, the result of or arises out of the Transactions and which is not an express Assumed Liability;

(ix) other than returns and chargebacks that are not Excess Returns and Chargebacks, all Seller Liabilities with respect to any products that were sold or services that were rendered by Seller and are subsequently returned to Purchaser or a Purchaser Designee or otherwise rejected by the purchaser thereof as a result of a breach of warranty or other breach of Seller to such purchaser;

(x) all Liabilities for product liability occurrences (including occurrences relating to the destruction of property, personal injury or death or any occurrence resulting from any failure to warn or any deficit in design, engineering or construction) with respect to products designed or manufactured (for or on behalf of Seller) or services rendered by Seller on or prior to the Closing Date and any related claims and litigation arising prior to, on or after the Closing Date from such product liability occurrences;

(xi) all Seller Liabilities under this Agreement or the Ancillary Agreements;

(xii) all Liabilities arising from, arising out of or relating to the matters or products set forth on Schedule 2.2(b)(xii);

(xiii) all Liabilities arising from or relating to the employment, engagement or termination of any current or former Service Provider (including with respect to any employee benefit plans maintained or sponsored by Seller);

(xiv) all Liabilities relating to any Proceedings pending or threatened against Seller or any of the current or former Service Providers; and

(xv) all other Liabilities related to or arising out of the operation of the Business or the ownership of the Acquired Assets on or prior to the Closing Date not included as an Assumed Liability in the definition of "Assumed Liabilities" in Section 2.2(a).

For purposes of this Section 2.2(b), "Seller" shall be deemed to include all Affiliates of Seller and any predecessors to Seller and any Person with respect to which Seller is a successor-in-interest (including by operation of Law, merger, liquidation, consolidation, assignment, assumption or otherwise).

Section 2.3 Purchase Price. The aggregate amount of consideration payable by Purchaser to Seller for the Acquired Assets shall be an amount equal to: (a) $19,040,008.71 in cash (the "**Cash Purchase Price**"); *plus* (b) subject to the conditions set forth in Section 2.9, the Earn-Out Consideration, *plus* (c) subject to the conditions set forth in Section 2.10, the Transition Services Consideration, *plus* (d) the assumption of the Assumed Liabilities (the "**Purchase Price**").

Section 2.4 Closing. The closing of the transactions contemplated by this Agreement (the "**Closing**") shall be effected by electronic mail exchange of true, complete and accurate copies of executed originals of Seller's Closing Deliverables and Purchaser's Closing Deliverables on the date hereof, which date is referred to herein as the "**Closing Date**." The consummation of the transactions contemplated by this Agreement shall be deemed to occur at 12:01 AM Pacific time on the Closing Date.

Section 2.5 Seller's Closing Deliverables. In addition to the other requirements set forth in this Agreement, at or before the Closing, Seller shall deliver or cause to be delivered to Purchaser each of the following documents and instruments (collectively, the "**Seller's Closing Deliverables**"):

(a) a Seller Certificate, duly executed by Seller;

(b) the Bill of Sale and Assignment and Assumption Agreement in the form of Exhibit A, duly executed by Seller (the "**Bill of Sale and Assignment and Assumption Agreement**"), with respect to the conveyance by Seller to Purchaser of the Acquired Assets;

(c) assignments of Intellectual Property, in the form of Exhibit B, with respect to the Acquired Marks, duly executed by Seller (the "**Trademark Assignment Agreement**");

(d) assignments of Intellectual Property, in the form of Exhibit C, with respect to the Acquired Patents, duly executed by Seller (the "**Patent Assignment Agreement**");

(e) a certificate setting forth, for each SKU of Specified Inventory, the (i) brand, (ii) name of the applicable Acquired Amazon Account associated with the units of Specified Inventory, (iii) name of the entity owning such account, (iv) SKU name, (v) ASIN, (vi) product type, (vii) (A) estimated number of units of Specified Inventory on hand (pursuant to validly executed and accepted purchase orders), including at Amazon and at all 3PL or other facilities (for each SKU, the "**Estimated Closing Inventory**"), (B) estimated number of units of Specified Inventory in transit and ordered (pursuant to validly executed and accepted purchase orders) (for each SKU, the "**Estimated Closing Ordered Inventory**") and (C) Estimated Total Units, by location, (viii) estimated number of days of sell-through that such Estimated Closing Inventory and Estimated Closing Ordered Inventory is expected to cover in the ordinary course consistent with past practice, (ix) Cost per unit, (x) Estimated Closing Inventory Payable Amount, (xi) Estimated Closing Inventory Paid Amount, (xii) Estimated Closing Inventory Value, (xiii) Estimated Closing Net Inventory Value, (xiv) Aggregate Estimated Closing Inventory Value, (xv) Aggregate Estimated Closing Inventory Payable Amount, (xvi) Aggregate Estimated Closing Inventory Paid Amount, (xvii) Aggregate Estimated Closing Net Inventory Value and (xviii) a listing of all outstanding purchase orders (including the identifying numbers thereof) for Specified Inventory, the outstanding payments owing thereunder, the number of units to be delivered pursuant thereto and the expected date of delivery for such units in the form of Exhibit D, duly executed by Seller (the "**Inventory Statement**");

(f) the Voting and Standstill Agreement, in the form of Exhibit E, duly executed by Seller and Key Owners (the "**Voting and Standstill Agreement**");

(g) an IRS Form W-9 for Seller, duly executed by Seller, and for any Affiliate of Seller that is transferring any Acquired Asset (duly executed by such Affiliate);

(h) all consents of any Persons listed on Schedule 2.5(h);

(i) a receipt executed by Seller evidencing payment in full by Purchaser (on behalf of itself and all Purchaser Designees) of the Closing Payment due at the Closing, in form and substance reasonably acceptable to Purchaser (to be deemed delivered upon Seller's receipt of the Closing Payment due at the Closing);

(j) the Transition Services Agreement, in the form of Exhibit F, duly executed by Seller and Purchaser (the "**Transition Services Agreement**");

(k) a Consulting Agreement, in the form of Exhibit G, duly executed by each of the Persons set forth on Schedule 2.5(k) (collectively, the "**Consulting Agreements**");

(l) the releases from each of Seller's equityholders not party hereto, as described in Section 5.8(b);

(m) filing receipts from the United States Patent and Trademark Office (the "**USPTO**") evidencing the filing of all pre-Closing amendments to registered Intellectual Property (including the Intellectual Property set forth on Schedule 2.5(m)) reasonably requested by Purchaser, such amendments being in a form reasonably acceptable to Purchaser (the "**IP Registration Amendments**"); and

(n) all other instruments and documents reasonably requested by Purchaser.

Section 2.6 Purchaser's Closing Deliverables(a) . In addition to the other requirements set forth in this Agreement, at or before the Closing, Purchaser shall deliver or cause to be delivered to Seller a counterpart of each other Ancillary Agreement to which Purchaser or any applicable Purchaser Designee is a party, duly executed by such Person (the "**Purchaser's Closing Deliverables**").

Section 2.7 Actions at Closing. At the Closing, Purchaser shall pay, or cause to be paid to Seller, by wire transfer of immediately available funds to the account or accounts designated separately in writing by Seller, an amount of cash equal to the Cash Purchase Price (the "**Closing Payment**").

Section 2.8 Post-Closing Inventory.

(a) No later than 60 days after the Closing Date (the "**Post-Closing Statement Date**"), Purchaser or its Representatives shall prepare and deliver to Seller a written statement (the "**Post-Closing Statement**"), setting forth the (i) number of units of Specified Inventory (by SKU), whether ordered, on hand (including at Amazon and at all 3PL or other facilities) or in transit at the Closing that were actually transferred and delivered (or deemed to be transferred and delivered with respect to any Specified Inventory being retained at Seller's or one of its Affiliate's facilities pursuant to the Transition Services Agreement) to Purchaser ("**Actual Closing Inventory**") under the Transaction Documents, as determined solely by Purchaser reasonably and in good faith, (ii) Actual Closing Inventory Payable Amount, (iii) Aggregate Actual Closing Inventory Payable Amount, (iv) Actual Closing Inventory Paid Amount and (v) Aggregate Actual Closing Inventory Paid Amount, (vi) Actual Closing Inventory Value, (vii) Aggregate Actual Closing Inventory Value, (viii) Actual Closing Net Inventory Value, (ix) Aggregate Actual Closing Net Inventory Value, (x) Actual Post-Closing Inventory Adjustment Amount and (xi) Expired Inventory, the value of which shall be deemed to be zero and shall therefore be disregarded for the purposes of all calculations on the Post-Closing Statement, including the calculation of the Actual Post-Closing Inventory Adjustment Amount.

(b) Upon receipt of the Post-Closing Statement, Seller (and to the extent reasonably requested, its Representatives) will be given reasonable access upon reasonable notice to Purchaser's (or the applicable Purchaser Designee's) relevant books, records, workpapers and personnel related to the information and calculations used in the formulation of such Post-Closing Statement (subject to customary confidentiality, hold harmless or release agreements related to such access) during business hours for the limited purpose of verifying the Actual Post-Closing Inventory Adjustment Amount set forth in the Post-Closing Statement. If the Aggregate Estimated Closing Net Inventory Value is greater than the Aggregate Actual Closing Net Inventory Value, then Seller shall, within five Business Days after the Post-Closing Statement Date, pay Purchaser the amount by which the Aggregate Estimated Closing Net Inventory Value exceeds the Aggregate Actual Closing Net Inventory Value in cash by wire transfer of immediately available funds and if the Aggregate Actual Closing Net Inventory Value is greater than the Aggregate Estimated Closing Net Inventory Value then Purchaser shall, within five Business Days after the Post-Closing Statement Date, pay Seller the amount by which the Aggregate Actual Closing Net Inventory Value exceeds the Aggregate Estimated Closing Net Inventory Value in cash by wire transfer of immediately available funds.

(c) If Purchaser does not receive any written objections from Seller to the Post-Closing Statement within 30 days following Purchaser's delivery thereof, then Seller shall be deemed to have no objection to such statement, which shall become final and binding on the Parties. If Seller does not agree that such statement correctly states the Actual Closing Inventory or the Actual Post-Closing Inventory Adjustment Amount, as applicable, Seller shall promptly (but not later than 30 days after the delivery of such statement) give written notice to Purchaser of any objections thereto (describing in reasonable detail the nature of the disagreement asserted), and all undisputed amounts with respect to such calculation shall thereupon become binding, final and conclusive upon the Parties and enforceable in a court of law, absent manifest error or fraud. Purchaser and Seller shall negotiate in good faith to resolve any disputes and agree upon the resulting calculations in such statement. If Seller and Purchaser resolve such disputes within 30 days after the applicable written notice of objection is delivered by Seller to Purchaser (any such period, an "**Inventory Reconciliation Period**"), the applicable calculation and resulting statement shall be adjusted accordingly and shall thereupon become binding, final and conclusive upon all Parties and enforceable in a court of law, absent manifest error or fraud. If Seller and Purchaser cannot resolve the disputed items within the applicable Inventory Reconciliation Period, all unresolved disputed items shall be promptly referred to the Independent Accountant. The Independent Accountant shall be directed to render a written report on the unresolved disputed items with respect to the applicable calculation and statement as promptly as practicable, but in no event later than 30 days following the Parties' referral to the Independent Accountant. Purchaser and Seller shall each furnish to the Independent Accountant such work papers, schedules, and other documents and information relating to the unresolved disputed items as the Independent Accountant may reasonably request. The Independent Accountant shall resolve the disputed items based solely on the applicable definitions and other terms in this Agreement and the presentations by Purchaser and Seller, and not by independent review. The resolution of the dispute and resulting calculation by the Independent Accountant shall be final and binding on the Parties, absent manifest error or fraud and any Actual Post-Closing Inventory Adjustment Amount due shall be paid in accordance with Section 2.8(d) hereof. Purchaser, on the one hand, and the Seller, on the other hand, shall bear that percentage of the fees and expenses of the Independent Accountant equal to the proportion (expressed as a percentage and determined by the Independent Accountant) of the dollar value of the disputed amounts determined in favor of the other party by the Independent Accountant. In the event of any court proceedings arising out of the Post-Closing Statement the prevailing party shall be entitled to recover its attorneys' fees and other costs incurred in connection with such proceedings. The date on which the Post-Closing Statement becomes binding, final and conclusive upon the Parties pursuant to this Section 2.8(c) (the "**Inventory Determination Date**"). For the avoidance of doubt, the Independent Accountant shall act as an expert, and not as an arbitrator.

(d) Within five Business Days following the Inventory Determination Date, Purchaser or Seller, as the case may be, shall pay the other Party the Actual Post-Closing Inventory Adjustment Amount by wire transfer of immediately available funds as determined pursuant to Section 2.8(c).

Section 2.9 Earn-Out.

(a) Promptly following the finalization of Parent's audited financial results for the year ended on December 31, 2021 (the "**Measurement Date**"), and in any event no later than April 30, 2022, Purchaser shall determine whether or not a Full Earn-Out Consideration Event or Partial Earn-Out Consideration Event has occurred (the "**Earn-Out Determination**") and shall provide written notice of such determination to Seller, which notice shall include the Realized CM (as defined below) (the "**Earn-Out Notice**"). Upon receipt of the Earn-Out Notice, Seller (and to the extent reasonably requested, its Representatives) will be given reasonable access upon reasonable notice to Purchaser's (or the applicable Purchaser Designee's) relevant books, records, workpapers and personnel related to the information and calculations used to calculate the Realized CM (subject to customary confidentiality, hold harmless or release agreements related to such access) during business hours for the limited purpose of verifying such amount.

(b) If Purchaser does not receive any written objections from Seller to the amount of the Realized CM or Purchaser's Earn-Out Determination within 30 days following Purchaser's delivery of the Earn-Out Notice to Seller then Seller shall be deemed to have no objection to the Realized CM and the Earn-Out Determination, which shall become final and binding on the Parties. If Seller does not agree that the Earn-Out

Notice contains the correct Earn-Out Determination Seller shall promptly (but not later than 30 days after the delivery of the Earn-Out Notice) give written notice to Purchaser of any objections thereto (describing in reasonable detail the nature of the disagreement asserted), and all undisputed amounts with respect to such calculation shall thereupon become binding, final and conclusive upon the Parties and enforceable in a court of law, absent manifest error or fraud. Purchaser and Seller shall negotiate in good faith to resolve any disputes and agree upon the resulting calculations in such statement. If Seller and Purchaser resolve such disputes within 30 days after the applicable written notice of objection is delivered by Seller to Purchaser (any such period, an "**Earn-Out Reconciliation Period**"), the applicable calculation and resulting Realized CM and Earn-Out Determination shall be adjusted accordingly and shall thereupon become binding, final and conclusive upon all Parties and enforceable in a court of law, absent manifest error or fraud. If Seller and Purchaser cannot resolve the disputed items within the Earn-Out Reconciliation Period, all unresolved disputed items shall be promptly referred to the Independent Accountant. The Independent Accountant shall be directed to render a written report on the unresolved disputed items with respect to the applicable calculation and determination as promptly as practicable, but in no event later than 30 days following the Parties' referral to the Independent Accountant. Purchaser and Seller shall each furnish to the Independent Accountant such work papers, schedules, and other documents and information relating to the unresolved disputed items as the Independent Accountant may reasonably request. The Independent Accountant shall resolve the disputed items based solely on the applicable definitions and other terms in this Agreement and the presentations by Purchaser and Seller, and not by independent review. The resolution of the dispute and resulting calculation by the Independent Accountant shall be final and binding on the Parties, absent manifest error or fraud and any Earn-Out Consideration due shall be paid in accordance with Section 2.9(g) hereof. Purchaser, on the one hand, and the Seller, on the other hand, shall bear that percentage of the fees and expenses of the Independent Accountant equal to the proportion (expressed as a percentage and determined by the Independent Accountant) of the dollar value of the disputed amounts determined in favor of the other party by the Independent Accountant. In the event of any court proceedings arising out of the Earn-Out Notice the prevailing party shall be entitled to recover its attorneys' fees and other costs incurred in connection with such proceedings. For the avoidance of doubt, the Independent Accountant shall act as an expert, and not as an arbitrator.

(c) "**Full Earn-Out Consideration Event**" shall mean that the aggregate Contribution Margin of the Business for the 12-month period ended on the Measurement Date (such aggregate Contribution Margin, the "**Realized CM**") has been finally determined pursuant to Section 2.9(b) to be equal to or greater than the Target CM).

(d) "**Partial Earn-Out Consideration Event**" shall mean that the Realized CM has been finally determined pursuant to Section 2.9(b) to be less than the Target CM, but equal to or greater than an amount equal to (i) 85% *multiplied by* (ii) the Target CM.

(e) If a Full Earn-Out Consideration Event has been finally determined to have occurred pursuant to Section 2.9(b), Purchaser shall pay to Seller an amount equal to $3,983,104 (the "**2020 EBITDA Amount**") in the form of either (i) cash, to be paid by wire transfer of immediately available funds, (ii) shares of Parent Common Stock issued (in book-entry format) to Seller, either by Parent or Parent's transfer agent or (iii) a combination of (i) and (ii), as such form of consideration is elected by Seller in writing.

(f) If a Partial Earn-Out Consideration Event has been finally determined to have occurred pursuant to Section 2.9(b), Purchaser shall pay to Seller the amount that is equal to (i) (x) Realized CM *divided by* (y) Target CM, *multiplied by* (ii) the 2020 EBITDA Amount in the form of either (A) cash, to be paid by wire transfer of immediately available funds, (B) shares of Parent Common Stock issued (in book-entry format) to Seller, either by Parent or Parent's transfer agent or (C) a combination of (A) and (B), as such form of consideration is elected by Seller in writing.

(g) If it is finally determined pursuant to Section 2.9(b) that a Full Earn-Out Consideration Event or Partial Earn-Out Consideration Event has occurred prior to the date that is three months after the Measurement Date then the applicable Earn-Out Consideration payment shall be made on the date that is three months after the Measurement Date (the "**First Earn-Out Payment Date**") or as promptly as practicable thereafter. If after the First Earn-Out Payment Date it is finally determined pursuant to Section 2.9(b) that a Full Earn-Out Consideration Event or Partial Earn-Out Consideration Event has occurred then the applicable Earn-Out Consideration payment shall be made on the date that is six months after the Measurement Date (the "**Second Earn-Out Payment Date**" and, together with the First Earn-Out Payment Date, the "**Earn-Out Payment Dates**").

(h) As used herein, the term "**Earn-Out Consideration**" shall refer to any payment of cash or issuance of Parent Common Stock by Purchaser or Parent, as applicable, in accordance with either Section 2.9(e) or Section 2.9(f).

(i) If Seller elects to receive any portion of the Earn-Out Consideration in the form of shares of Parent Common Stock, the number of shares issued shall be equal to (i) the value of the Earn-Out Consideration that Seller did not elect to receive from Purchaser in cash divided by (ii) the lesser of the volume weighted average closing price of Parent Common Stock for the 15 Trading Days immediately prior to the (x) Closing Date and (y) applicable Earn-Out Payment Date (rounded down to the nearest whole share).

(j) If it is finally determined pursuant to Section 2.9(b) that neither the Full Earn-Out Consideration Event nor the Partial Earn-Out Consideration Event occurs, then Purchaser shall not, and shall have no obligation to, pay any cash, or issue any shares of Parent Common Stock as Earn-Out Consideration, to Seller or any other Person in connection with this Agreement.

(k) Purchaser, Seller and each Key Owner understands and agrees that (i) Seller's contingent right to receive the Earn-Out Consideration shall not be represented by any form of certificate or other instrument, is not transferable and is unsecured and (ii) Seller shall not have any rights as a securityholder of Purchaser or a Purchaser Designee solely as a result of Seller's contingent right to receive any consideration under this Section 2.9.

(l) Purchaser shall not, in bad faith, directly or indirectly, take any actions, or fail to take any actions that are consistent with the prior operations of the Business, in each case that would reasonably be expected to cause the failure to occur of the Full Earn-Out Consideration Event, or to materially reduce the Realized CM.

Section 2.10 Transition Services Consideration.

(a) On the date that is three months after the Closing Date (the "**First Transition Payment Date**"), as partial consideration for the Services (as defined in the Transition Services Agreement) provided by Seller to Purchaser pursuant to the Transition Services Agreement, Purchaser shall pay to Seller an amount equal to the 2020 EBITDA Amount in the form of either (i) cash, to be paid by wire transfer of immediately available funds, (ii) shares of Parent Common Stock issued (in book-entry format) to Seller, either by Parent or Parent's transfer agent or (iii) a combination of (i) and (ii), as such form of consideration is elected by Seller in writing (such payment or issuances of shares, the "**First Transition Payment**"). For the avoidance of doubt, this payment is not contingent on any further action by Seller or any of its Affiliates after the Closing Date, nor upon the termination of the Transition Services Agreement.

(b) If the date that the Transition Services Agreement terminates in accordance with its terms (the "**Services Termination Date**") occurs prior to the date that is six months after the Closing Date (the "**Second Transition Payment Date**" and, together with the First Transition Payment Date, the "**Transition Payment Dates**") then, as partial consideration for the Services provided by Seller to Purchaser pursuant to the Transition

Services Agreement prior to the Services Termination Date, Purchaser shall pay to Seller an amount equal to the 2020 EBITDA Amount in the form of either (i) cash, to be paid by wire transfer of immediately available funds, (ii) shares of Parent Common Stock issued (in book-entry format) to Seller, either by Parent or Parent's transfer agent or (iii) a combination of (i) and (ii), as such form of consideration as elected by Seller in writing (such payment or issuances of shares, the "**Second Transition Payment**" and, collectively with the First Transition Payment, the "**Transition Services Consideration**"). If the Services Termination Date is prior to the First Transition Payment Date then the Second Transition Payment shall be made on or before the First Transition Payment Date. If the Services Termination Date is prior to the Second Transition Payment Date but is on or after the First Transition Payment Date then the Second Transition Payment shall be made on or before the Second Transition Payment Date.

(c) If Seller elects to receive any portion of the Transition Services Consideration in the form of shares of Parent Common Stock, the number of shares issued shall be equal to (i) the value of that portion of First Transition Payment or Second Transition Payment, as applicable, that Seller did not elect to receive from Purchaser in cash *divided by* (ii) the lesser of the volume weighted average closing price of Parent Common Stock for the 15 Trading Days immediately prior to the (x) Closing Date and (y) applicable Transition Payment Date (rounded down to the nearest whole share).

(d) If the Services Termination Date does not occur prior to the Second Transition Payment Date then Purchaser shall not, and shall not have any obligation to, pay any cash, or issue any shares of Parent Common Stock as Transition Services Consideration, to Seller or any other Person in connection with this Agreement.

(e) Purchaser, Seller and each Key Owner understands and agrees that (i) Seller's contingent right to receive the Transition Services Consideration shall not be represented by any form of certificate or other instrument, is not transferable and is unsecured and (ii) Seller shall not have any rights as a securityholder of Purchaser or a Purchaser Designee solely as a result of Seller's contingent right to receive any consideration under this Section 2.10.

Section 2.11 Share Issuance Cap. Notwithstanding anything to the contrary in this Article II, in no event shall the number of shares of Parent Common Stock that Parent may issue in respect of the Purchase Price or any other amounts payable under this Agreement or any other Transaction Document, whether in the form of the Earn-Out Shares or Transition Payment Shares, exceed (in the aggregate) 9.99% of the total issued and outstanding shares of Parent Common Stock as of immediately prior to the Closing (the "**Share Cap**"). Any portion of the Purchase Price or other amounts that may otherwise be payable in the form of Shares of Parent Common Stock under this Agreement or any other Transaction Document, taken as a whole, in excess of the Share Cap shall be paid in cash. In addition, any such shares of Parent Common Stock issued as consideration for the Purchase Price or any other Transaction Document shall be adjusted appropriately to reflect any stock dividend, stock split, subdivision, combination, reclassification or similar transaction in respect of the Parent Common Stock.

Section 2.12 Treatment of Excess Returns and Chargebacks. Seller agrees that if any retailer to whom Seller or any of its Affiliates sold or otherwise transferred product(s) prior to the Closing (and such product(s) would otherwise constitute an Acquired Asset) returns or chargebacks any of such product(s) during the period from and after the Closing and until the date that is the first anniversary of the Closing Date, then Seller shall be responsible for the amount of any such product(s) so returned or charged back that is, in the aggregate, in excess of Thirty Thousand Dollars ($30,000) (the "**Excess Returns and Chargebacks**"). Promptly upon Purchaser's receipt of any Excess Returns and Chargebacks Purchaser shall notify Seller in writing and provide documentary evidence of such Excess Returns and Chargebacks and Seller shall pay to Purchaser in cash, by wire transfer of immediately available funds within two Business Days following Seller's receipt of such documentary evidence of such Excess Returns and Chargebacks, the aggregate value thereof.

Section 2.13 Withholding. Purchaser and any other party making a payment pursuant to this Agreement will be entitled to deduct and withhold from any amounts payable pursuant to this Agreement any amounts that Purchaser determines are required to be deducted and withheld pursuant to applicable Law. To the extent that any such amounts are so deducted or withheld and are remitted to the appropriate Governmental Authority, such amounts will be treated for all purposes of this Agreement as having been paid to the Person in respect of which such deduction and withholding was made.

ARTICLE III
REPRESENTATIONS AND WARRANTIES WITH RESPECT TO SELLER AND THE BUSINESS

Except as set forth in the corresponding sections or subsections of the Disclosure Schedules attached hereto (collectively, the "**Disclosure Schedules**") (each of which shall qualify only the specifically identified sections or subsections hereof to which such Disclosure Schedule relates and shall not qualify any other provision of the Transaction Documents), Seller represents and warrants to Purchaser as of the date hereof and as of the Closing as follows:

Section 3.1 Organization and Qualification; Authorization.

(a) Seller is duly organized, validly existing and in good standing (except to the extent that the failure to be in good standing would not be material to Seller) under the Laws of the State of Delaware and has all requisite power and authority to own, lease and operate its assets, properties and business and to carry on its business as now being conducted.

(b) Seller is duly qualified or otherwise authorized as a foreign entity to transact business in each jurisdiction listed on Schedule 3.1(b) of the Disclosure Schedules, which are all of the jurisdictions in which ownership of the Acquired Assets or operation of the Business as currently conducted requires Seller to so qualify, except to the extent that the failure to be so qualified would not have a material effect on the Business.

(c) Seller has all requisite power and authority to (i) execute, deliver and perform its obligations under the Transaction Documents to which it is or will be a party and (ii) consummate the Transactions. The execution and delivery of the Transaction Documents to which Seller is or will be a party, the performance by Seller of its obligations hereunder and thereunder and the consummation by Seller of the Transactions have been duly authorized, including any member, unitholder, stockholder, or other equityholder approvals that may be required under Seller's organizational documents or the Delaware Limited Liability Company Act (the "**DLLCA**").

(d) This Agreement has been, and the Ancillary Agreements to which Seller is or will be a party will be, duly executed and delivered by Seller and constitute the legal, valid and binding obligation of Seller, enforceable against it in accordance with their respective terms, except as enforcement may be limited by applicable bankruptcy, insolvency, reorganization, moratorium and other similar Laws affecting the rights of creditors generally and the availability of equitable remedies (the "**Bankruptcy and Equity Exception**"). All Key Owners who are individuals have all requisite capacity to execute and deliver this Agreement and any other Transaction Documents to which he or she is a party.

(e) Schedule 3.1(e) of the Disclosure Schedules sets forth the name of each Affiliate of Seller that owns any asset or property (including any Intellectual Property) that is used in, held for use in, or is reasonably necessary for the conduct of the Business. Seller is the sole, beneficial and legal owner of all outstanding voting or other equity or economic interests in such Affiliates. Seller has all requisite power and authority to cause such Affiliates to transfer the Acquired Assets held thereby and to execute any and all documentation necessary to effect the transfer thereof, including any applicable Ancillary Agreements.

Section 3.2 No Violation. Except as set forth on Schedule 3.2 of the Disclosure Schedules, the execution, delivery and performance by Seller of the Transaction Documents and the consummation of the Transactions will not: (a) violate, contravene or conflict with any provision of the charter documents, bylaws or similar organizational documents of Seller; (b) violate, contravene or conflict with any resolution adopted by Seller's board of directors, managers, managing member(s), members or stockholders; (c) violate, contravene or conflict with any Law or Order; (d) contravene, conflict with, result in the violation or breach of any of the terms or conditions of, or constitute (with or without notice or lapse of time or both) a material default under or an event which would, or could reasonably be expected to give rise to, any right of notice, modification, acceleration, payment, suspension, withdrawal, cancellation or termination under, or in any manner release any party thereto from any obligation under, or otherwise affect any rights of Seller under, any Acquired Contract or material Permit that is an Acquired Asset; or (e) result in the creation or imposition of any Lien upon any Acquired Asset that would materially impact Purchaser's intended use of such Acquired Asset. Seller's board of managers has unanimously (i) resolved that this Agreement and the Transactions are fair to and in the best interests of Seller and its equityholders, and (ii) approved and declared advisable this Agreement and the Transactions on the terms and subject to the requirements of the DLLCA.

Section 3.3 Consents and Approvals; Permits. Except as set forth on Schedule 3.3 of the Disclosure Schedules, no consent, approval, waiver, Order or authorization of, or registration, declaration or filing with, or notice to, any Governmental Authority or other Person, and no Permit, is required to be made or obtained by Seller in connection with the authorization, execution, delivery and performance by Seller of the Transaction Documents, the consummation of the Transactions or Purchaser's operation of the Business after the Closing.

Section 3.4 Fair Consideration; No Fraudulent Conveyance. Seller is not now insolvent, and will not be rendered insolvent by the sale, transfer and assignment of the Acquired Assets pursuant to the terms of this Agreement or the transactions contemplated hereby. Seller has no intention to file for bankruptcy, and no insolvency proceedings of any character including bankruptcy, receivership, reorganization, composition or arrangement with creditors, voluntary or involuntary, affecting Seller or any of the Acquired Assets or Assumed Liabilities are pending or threatened. Seller is not entering into this Agreement and the Transactions with the intent to defraud, delay or hinder Seller's creditors and the consummation of the Transactions will not have any such effect. The Transactions do not constitute a fraudulent conveyance, or otherwise give rise to any right of any creditor of Seller whatsoever to any of the Acquired Assets after the Closing.

Section 3.5 Financial Statements; Accounting and Internal Controls.

(a) Schedule 3.5(a) of the Disclosure Schedules sets forth copies of the following financial statements of the Business (collectively, the "**Financial Statements**"): (i) the audited balance sheets of the Business as of December 31, 2020 (the "**Balance Sheet Date**" and such balance sheet, the "**Latest Balance Sheet**"), December 31, 2019 and December 31, 2018, and the related unaudited statements of operations for each of the years then ended (together with all related notes and schedules thereto).

(b) The Financial Statements (including the notes and schedules thereto) (i) have been prepared in accordance with (x) GAAP consistently applied throughout the periods covered thereby, except that they lack footnotes required by GAAP and (y) in the case of the Rule 3-05B Financial Statements, Regulation S-X. The Financial Statements (i) present fairly the assets, liabilities and financial condition of Seller and the Business as of such dates and the results of operations of Seller and the Business for such period and (ii) are consistent with the books and records of Seller and the Business (which books and records are correct and complete in all material respects). Since the Balance Sheet Date, there has been no change in any accounting principles, policies, methods or practices, including any change with respect to reserves (whether for bad debt, contingent liabilities or otherwise) of Seller and the Business.

(c) The Rule 3-05B Financial Statements are accompanied by an opinion (the "**Audit Opinion**") of Eide Bailly LLP (the "**Independent Auditor**"), which opinion complies with Regulation S-X.

(d) Except for (i) Liabilities and obligations incurred in the ordinary course of business since the Balance Sheet Date and that to not arise from any breach of a Contract, tort or violation of any Law, (ii) Liabilities and obligations disclosed on the Latest Balance Sheet, (iii) Transaction Expenses and (iv) executory obligations under any Contract and which do not involve any breach of any such Contract, tort or violation of any Law, neither Seller nor any of its direct or indirect subsidiaries has any Liabilities or obligations of any kind or nature whatsoever.

Section 3.6 Accounts Payable. All accounts payable of Seller are reflected accurately and properly, in all material respects, on its books and records, including the Financial Statements and the Inventory Statement, are valid and such accounts payable of Seller have arisen in bona fide arm's-length transactions in the ordinary course of business, and Seller with respect to the Business has been paying its accounts payable as and when due. No accounts payable of Seller are past due or being contested by Seller or its direct or indirect subsidiaries in good faith.

Section 3.7 Inventory. All of the Specified Inventory is of a quality no less than the quality of finished goods and other inventories maintained by Seller in connection with the Business in the ordinary course of business consistent with past practice and is merchantable and fit for the purpose for which it was procured or manufactured, and is not slow-moving, obsolete, damaged, or defective. All Specified Inventory is owned by Seller free and clear of any Liens (other than Permitted Liens), and no Specified Inventory is held on excluded consignment basis and was acquired in the ordinary course of business consistent with past practice, has not been adulterated or misbranded, and complies with Seller's internal quality assurance guidelines. The quantities of each SKU of Specified Inventory are not excessive, but are reasonable in the present circumstances of the Business. The "Use By", "Expiration Date" or other similar date references on substantially all of the Specified Inventory that are required by Law to include such a date reference are to dates that are more than 270 days after the Closing Date.

Section 3.8 Absence of Changes or Events. Except as set forth on the applicable subsection of Schedule 3.8 of the Disclosure Schedules, since December 31, 2019, (a) Seller has conducted the Business only in the ordinary course consistent with past practice, (b) no Event has occurred that, individually or in combination with any other Events, has had or could reasonably be expected to have a material and adverse effect on the Business or the Acquired Assets, (c) Seller has not suffered any loss, damage, destruction or other casualty affecting any material Acquired Assets, whether or not covered by insurance; and (d) there has been no termination of or receipt of notice of termination, notice of intention to discontinue, or change to any financial or other terms, with respect to any manufacturer of Seller related to the Business.

Section 3.9 Acquired Assets.

(a) Seller has, and immediately following the Closing, Purchaser or the applicable Purchaser Designee will continue to have (on the same terms and conditions as Seller, or the applicable Affiliate, held such Acquired Assets as of immediately prior to the Closing), good and marketable title to, or a valid right to use, all of the tangible and intangible Acquired Assets, free and clear of any and all Liens (other than Permitted Liens). The Acquired Assets to which Seller has good and marketable title to, or a valid right to use, are all the assets and property that are necessary to enable the Business to be conducted immediately after the Closing in the same manner as the Business has been conducted since December 31, 2019, including, that the Specified Inventory for each SKU is all the inventory necessary, and such inventory is sufficient, for the Business to operate in the ordinary course consistent with past practice for 60 days after the Closing Date. None of the Excluded Assets is material to the Business. No Affiliate of Seller is, or has been, engaged in the Business or otherwise has, or had, any right, title or interest in any of the Acquired Assets or Assumed Liabilities (whether as a result of the consummation of the Transactions or otherwise).

(b) All material items of tangible personal property owned or leased by Seller that constitute Acquired Assets are in good operating condition and repair, ordinary wear and tear excepted, and are suitable for the purposes for which they are presently being used.

(c) Schedule 3.9(c) of the Disclosure Schedules sets forth the physical location of all of the Acquired Assets that are tangible personal property.

Section 3.10 Intellectual Property.

(a) Schedule 3.10(a) of the Disclosure Schedules contains a true, complete and accurate description and list of all (i) patented or registered Intellectual Property owned by Seller, (ii) pending patent applications and applications for other registrations of Intellectual Property owned by Seller, and (iii) unregistered Trademarks, copyrights, and data (of any type or kind) that are owned by Seller and material to Seller's conduct of the Business as presently conducted (indicating for each of (i) and (ii) the applicable jurisdiction, registration number (if registered), application number, date issued (if issued) and date filed).

(b) Seller exclusively owns and possesses all right, title and interest in and to, or has the right to use and otherwise commercialize or exploit, all Intellectual Property necessary for or used or otherwise commercialized or exploited in to the operation of the Business as presently conducted and as presently proposed by Seller to be conducted, free and clear of all Liens (the "**Seller Intellectual Property**"), and all Seller Intellectual Property owned by Seller is included in the Acquired Assets and after consummation of the transactions contemplated by this Agreement and the Ancillary Agreements will be exclusively owned by Purchaser or the applicable Purchaser Designee. Except as would not have a material or adverse effect on the Business, none of the Seller Intellectual Property is invalid or unenforceable in whole or in part. No loss or expiration of any of the Seller Intellectual Property is pending, reasonably foreseeable or to Seller's knowledge, threatened. No Seller Intellectual Property is subject to any maintenance fees or Taxes or actions falling due within 90 days after the Closing Date.

(c) Except as would not have a material and adverse effect on the Business, Seller has taken all action necessary or reasonably advisable to protect and maintain in full force and effect the Seller Intellectual Property, including to maintain the confidentiality of all trade secrets and confidential information of Seller or with respect to the Business. No event has occurred, and, to Seller's knowledge, no circumstance or condition exists, that (with or without notice or lapse of time) will, or reasonably could be expected to, result in the delivery, license or disclosure of any such trade secrets or confidential information to any other Person. No such trade secrets or confidential information have been impermissibly disclosed to any other Person or, accessed or used by any other Person in an unauthorized manner.

(d) Each Key Owner and current or former Service Provider of Seller has executed a valid and enforceable written agreement (i) assigning to Seller ownership of all rights in any Intellectual Property developed by such Key Owner or Service Provider, solely or jointly with others, in the course and scope of his or her employment or engagement by Seller, and (ii) containing confidentiality and non-use terms and conditions sufficient to protect all trade secrets and confidential information of Seller or with respect to the Business. No Key Owner, nor any other equityholders of Seller, if any, owns or holds any Intellectual Property that is used, commercialized or exploited in any way by Seller.

(e) (i) There have been no claims made or threatened in writing against Seller asserting the invalidity, misuse or unenforceability of any Seller Intellectual Property or challenging Seller's ownership of Intellectual Property owned or purported to be owned by Seller or right to use, commercialize or exploit any other Seller Intellectual Property, in either case free and clear of Liens, and, to Seller's knowledge, there is no basis for any such claim, (ii) Seller has not received any written notices of, and, to Seller's knowledge, there are no facts which indicate a likelihood of, any direct, vicarious, indirect, contributory or other infringement, violation or misappropriation by Seller of any Intellectual Property (including any cease-and-desist letters or demands or offers to license any Intellectual Property from any other Person), (iii) the conduct of the Business as previously conducted has not infringed, misappropriated or violated, and as presently conducted or presently proposed to be conducted by Purchaser or any applicable Purchaser Designee does not and will not infringe, misappropriate or violate, any Intellectual Property of any other Person, whether directly, vicariously, indirectly, contributorily or otherwise, and (iv) to Seller's knowledge, no Seller Intellectual Property has been infringed, misappropriated or violated by any other Person.

(f) No registered Trademark owned or purported to be owned by Seller (including any Acquired Mark) is confusingly similar to any registered Trademark owned by applied for by any other Person. The use and licensing of all Trademarks owned or purported to be owned by Seller (including all Acquired Marks) has been subject to reasonable and adequate quality control, and Seller has not conducted the Business or used or enforced (or failed to use or enforce) any of such Trademarks in a manner that could result in the abandonment, cancellation, invalidity, or unenforceability of any such Trademarks, except as would not have a material and adverse effect on the Business or the Acquired Assets.

(g) The E-Commerce Assets currently used by Seller are sufficient for the current needs of the Business, including as to capacity and ability to process current peak volumes in a timely manner. There have been no bugs in, or failures, breakdowns, or continued substandard performance of, any E-Commerce Assets that has caused the substantial disruption or interruption in or to the use of such E-Commerce Assets by Seller or the conduct of the Business. Schedule 3.10(g) of the Disclosure Schedules describes the security precautions taken by Seller to protect its E-Commerce Assets and any confidential, proprietary or private information stored thereon.

(h) Each privacy policy or other policy or terms published by Seller that relates to Personal Data, and the date that such policies or terms were published or otherwise in effect, have been delivered or made available to Purchaser. Except as would not have a material and adverse effect on the Business or the Acquired Assets, Seller is in compliance with all applicable Privacy Laws, its own privacy policies, terms of use, and other terms or policies or Contracts, and any third party privacy policies, terms of use, or other terms or policies or Contracts binding on Seller with respect to, in each case, data security, Data Breach notification requirements, the privacy of Service Provider, users, visitors, and customers, or the Processing of any Personal Data or other data (collectively, the "**Privacy Requirements**"). No claims are currently pending or, to Seller's knowledge, are threatened against Seller by any Person alleging a violation of any Privacy Requirements. The execution and delivery of this Agreement and the Ancillary Agreements, the performance by Seller of its obligations hereunder and thereunder, and the consummation of the transactions contemplated hereby and thereby (i) will comply with all Privacy Requirements, (ii) will not impair any rights of, or impose any obligations or restrictions on, Seller with respect to any use, disclosure, commercialization or exploitation of, or otherwise relating to, any Personal Data or other data, and (iii) will not give rise to any right on the part of any Person to impair any such rights or impose any such obligations or restrictions, in each case except as would not have a material and adverse effect on the Business or the Acquired Assets.

(i) Except as would not have a material and adverse effect on the Business or the Acquired Assets, (i) Seller has at all times made all necessary disclosures to, and obtained any necessary consents from, users, customers, employees, contractors and other applicable Persons required under all Privacy Requirements and has all necessary authority and legal basis to transfer Personal Data Processed in the conduct of the Business to Purchaser; (ii) such Personal Data can be Processed by Purchaser after the Closing in a manner substantially the same as currently Processed by Seller without additional notice to, or consent from, data subjects; (iii) None of Seller, nor to Seller's knowledge anyone acting on behalf of Seller or any software tool created or used by or

on behalf of Seller, has used false log-on credentials with respect to any third party website or other false representation or statement or unauthorized or unlawful mechanism, code (including markup languages, programming languages, or scripts), or action to access (including access in excess of authorization), obtain, damage, exploit, Process, or otherwise use any Personal Data or other data; (iv) Seller has never received a complaint in writing or to Seller's knowledge been the subject of any Proceeding or investigation regarding its Processing of Personal Data or other data or its privacy or data security policies, practices, or activities; (v) in compliance with Privacy Requirements, Seller has commercially reasonable adequate security measures in place to protect Personal Data and other data in its possession, custody, or control; and (vi)to Seller's knowledge, Seller has not experienced any Data Breach.

Section 3.11 Contracts. Schedule 3.11 of the Disclosure Schedules contains a true, complete and accurate list as of the Closing Date of all Acquired Contracts and all outstanding purchase orders (true and complete copies of which Seller has provided to Purchaser) (a) by which any of the Acquired Assets are bound or affected or (b) to which Seller is a party or by which it is bound in connection with the Business, the Acquired Assets or Assumed Liabilities, and (i) all such Acquired Contracts are in full force and effect and are valid and enforceable in accordance with their terms, and (ii) Seller has at all times been in full compliance with all applicable terms and requirements of such contracts, has performed its obligations thereunder and has received no communication regarding, and there does not exist, any actual, alleged, possible violation, breach or default under any such Acquired Contract, nor does there exist any Event that, after notice or lapse of time or both would constitute a violation, breach or default thereunder by Seller. Other than in the ordinary course consistent with past practice, no Person is renegotiating, or has asserted a right pursuant to the terms of any Acquired Contract to renegotiate, any amount paid or payable by the Business (including any Assumed Liabilities) under any Acquired Contract, nor has any other party to any Acquired Contract repudiated any provision of any Acquired Contract. Seller has not been provided with or received any written or oral notice of cancellation or termination, or the intent to cancel or terminate, any Acquired Contract. Seller has delivered or otherwise made available to Purchaser or its counsel true and complete copies of each Acquired Contract, in each case, as amended or otherwise modified and in effect.

Section 3.12 Litigation. There are no Proceedings pending or threatened against Seller or any of the current or former officers, directors or employees of Seller or current or former Service Providers, in each case related to or affecting the Business, the Acquired Assets, or the Assumed Liabilities, nor is there any reasonable basis for any such Proceeding. There is no Order to which Seller is a party or by which Seller is bound. Schedule 3.12 of the Disclosure Schedules sets forth all settlements made by Seller in connection with the Business or the Acquired Assets in excess of providing a customer with a replacement product or refund of the purchase price for such product. Neither Seller nor any of its direct or indirect subsidiaries has entered into any settlement that has resulted in a Loss to Seller or any of its direct or indirect subsidiaries or involved any restrictions, limitations or obligations on Seller or any of its direct or indirect subsidiaries regarding the Business. Neither Seller nor any of its direct or indirect subsidiaries has any intention to commence a Proceeding related to the Business against any Person.

Section 3.13 Compliance with Laws. Seller is in compliance, and has at all times complied, in all material respects with all Laws in connection with the conduct, ownership, use, occupancy or operation of the Business and the Acquired Assets, and Seller has not received at any time since its inception, nor is there any basis for, any notice or other communication from any Governmental Authority or any other Person that Seller is not in compliance in any with any Law applicable to the Business or the Acquired Assets. Seller has made available to Purchaser complete and correct copies of all written notices received by Seller or any of its Affiliates alleging any material violation under any applicable Law related to the Business that Seller or any of its Affiliates has received in the last five years.

Section 3.14 Taxes.

(a) Seller has timely and properly filed all income and other material Tax Returns required to be filed by or with respect to it, the Business, or the Acquired Assets. All such Tax Returns are accurate and complete in all material respects. Seller has timely and properly paid all Taxes required to be paid by it or with respect to the Acquired Assets or Business, whether or not shown as due on any Tax Return.

(b) There are no Liens for Taxes upon the Business or any of the Acquired Assets other than Liens for Taxes not yet due and payable.

(c) There is no Tax deficiency or adjustment outstanding, assessed or proposed against Seller, nor has Seller executed any outstanding waiver of any statute of limitations on or extension of the period for the assessment or collection of any material Tax which is still outstanding.

(d) With respect to any period for which Tax Returns have not yet been filed or for which Taxes are not yet due or owing, Seller has made due and sufficient accruals for such Taxes on its financial statements as adjusted for the passage of time until the Closing.

(e) No Tax audits or administrative or judicial Tax Proceedings are being conducted with respect to Seller, the Business or any of the Acquired Assets. Seller has not received from any Governmental Authority any (i) written notice indicating an intent to open an audit or other review with respect to Taxes relating to the Business or any of the Acquired Assets, (ii) written request for information related to Tax matters with respect to the Business or any of the Acquired Assets, or (iii) written notice of deficiency or proposed adjustment or assessment for any amount of Tax relating to the Business or any of the Acquired Assets that has not been resolved or paid in full.

(f) Purchaser will not have any liability or obligation, and will not incur any loss, expense or cost, and none of the Acquired Assets will be subject to any Lien, by reason of any Taxes arising out of (i) the Business as conducted by Seller on or prior to the Closing Date, or (ii) any other operations or activities of Seller, whether conducted prior to the date hereof or hereafter.

(g) Within the three years immediately preceding the Closing, no claim has been made by an authority in a jurisdiction where Seller does not file Tax Returns that Seller may be subject to taxation by that jurisdiction.

(h) Purchaser will not be required to pay in respect of the Business (and the Assumed Liabilities do not include any obligation to pay) any Taxes in connection with the Payroll Tax Executive Order or any “applicable employment taxes” (as defined in Section 2302 of the CARES Act) that would have been due on or before the Closing Date but for Section 2302(a)(1) of the CARES Act.

(i) With respect to the Business, Seller has (i) timely deducted, withheld, and remitted all Taxes required to have been deducted, withheld, or remitted in connection with any amounts paid or owing to any employee, independent contractor, equity interest holder, or other third party, and all IRS Forms W-2 and 1099 required with respect thereto have been properly completed and timely filed, (ii) timely and properly collected all sales, use, value-added, and similar Taxes required to be collected, and has remitted or will remit on a timely basis such amounts to the appropriate Governmental Authority, and (iii) properly requested, received, and retained all necessary exemption certificates and other documentation supporting any claimed exemption or waiver of Taxes on sales or similar transactions as to which it would otherwise have been obligated to collect or withhold Taxes. Each Person who provides or provided services to Seller who is classified as an independent contractor or other non-employee for any purpose is properly classified.

(j) Seller is not a party to or bound by (and no Assumed Liability includes or constitutes) (i) any Tax allocation, indemnification, or sharing agreement (other than this Agreement) or (ii) any closing or other agreement or ruling with any Governmental Authority with respect to Taxes, in each case that could bind Purchaser or any of its Affiliates after the Closing.

(k) None of the Assumed Liabilities is an obligation to make a payment that is not deductible under Section 280G of the Code or to compensate any individual for excise taxes paid pursuant to Section 4999 of the Code.

(l) Seller has not directly or indirectly been a party to any "listed transaction" as defined in Section 6707A of the Code and Treasury Regulation Section 1.6011-4(b).

(m) Seller does not have any Liability for (and no Assumed Liability constitutes or includes Liability for) the Taxes of any other Person as a transferee or successor, as the result of being or having been a member of an Affiliated Group, by Contract (other than this Agreement), or otherwise, that would bind Purchaser or any of its Affiliates after the Closing Date.

(n) Seller is not a "foreign person" as that term is used in Treasury Regulations Section 1.1445-2. None of the Acquired Assets is a "United States real property interest" under Section 897(c) of the Code.

(o) None of the Acquired Assets is (i) a "section 197(f)(9) intangible" (as defined in Treasury Regulation Section 1.197-2(h)(1)(i) and assuming for this purpose that the transition period ends on August 10, 1993), or (ii) an interest in a Person classified as a partnership, a corporation or a disregarded entity for U.S. federal, state or local income tax purposes.

(p) No Acquired Asset is (i) property required to be treated as owned by another Person pursuant to Section 168(f)(8) of the Internal Revenue Code of 1954, as amended and in effect immediately before the enactment of the Tax Reform Act of 1986; (ii) "tax-exempt use property" within the meaning of Section 168(h)(1) of the Code; (iii) "tax-exempt bond financed property" within the meaning of Section 168(g) of the Code; (iv) "limited use property" within the meaning of Revenue Procedure 76-30, (v) subject to Section 168(g)(1)(A) of the Code; (vi) subject to a "Section 467 rental agreement" as defined in Section 467 of the Code; or (vii) subject to any provision of Law similar to any of the foregoing.

(q) All Intellectual Property that is an Acquired Asset is considered resident in the United States of America for Tax purposes.

Section 3.15 Suppliers. Schedule 3.15 of the Disclosure Schedules contains a true, complete and accurate list of all of (a) the vendors and suppliers to Seller (each a "**Supplier**"), ordered from largest to smallest by the aggregate dollar value of purchases by Seller during the 12 month period ended December 31, 2020 and (b) with respect to each Supplier, the aggregate dollar value of purchases. In addition, each Supplier with which Seller has entered into a Contract that is in effect at the Closing shall be identified on the list by reference to Schedule 2.1(a)(i). No Supplier has terminated, cancelled, suspended, failed to renew or adversely modified the amount, frequency or terms of the business such Supplier conducts with Seller. Seller has not received any notice, orally or in writing, that any Supplier intends to terminate, cancel, suspend, fail to renew or adversely modify the amount, frequency or terms of the business such Supplier conducts with Seller. No Supplier is materially dissatisfied with Seller and no Supplier has claimed it is entitled to receive, or has received or claimed, any credit, offset, discount or payment, or has threatened (whether in writing or orally) any such adverse modification or claim for any credit, offset, discount or payment and Seller does not have any outstanding material dispute with any Supplier.

Section 3.16 Products. There are no defects in the design, manufacturing, materials or workmanship in the products, manufactured, sold or delivered by Seller and each such product has been designed, manufactured, shipped, sold or distributed in accordance with the specifications under which the product is normally and has normally been designed, manufactured, shipped, sold or distributed. All products manufactured, sold or delivered by Seller have been in conformity with all applicable warranties, and Seller does not have any Liability for replacement thereof or other damages in connection therewith. No products manufactured, sold or delivered by Seller are subject to any guaranty, warranty or other indemnity beyond the applicable standard terms and conditions of sale with respect thereto which, in each case, have been made available to Purchaser. Seller has not received any notice of any claims for, and there is no reasonable basis for and there are not, any product recalls, returns, warranty obligations or service calls relating to any of its products or services. Seller does not have any Liability arising out of any injury to individuals or property as a result of the ownership, possession or use of any products manufactured, sold or delivered by Seller or with respect to any services rendered by Seller.

Section 3.17 International Trade Laws. Seller has, at all times as to which the applicable statute of limitations has not yet expired, conducted its transactions in accordance with all applicable International Trade Laws. Without limiting the foregoing: (a) Seller has obtained, and is in compliance with, all export licenses, license exceptions and other consents, notices, waivers, approvals, orders, authorizations, registrations, declarations, classifications and filings with any Governmental Authority required for (i) the export and re-export of products, services, Software and technologies and (ii) releases of technologies and Software to foreign nationals located in the United States and abroad (collectively, the "**Export Approvals**"); (b) there are no pending or threatened claims against Seller with respect to such Export Approvals; (c) there are no actions, conditions or circumstances pertaining to Seller's import or export transactions that may give rise to any future claims; (d) no Export Approvals with respect to the transactions contemplated hereby are required; (e) Seller has not received written notice to the effect that a Governmental Authority claimed or alleged that Seller was not in compliance with International Trade Laws; and (f) neither Seller nor any of its Affiliates has made any voluntary disclosures to, or has been subject to any fines, penalties or sanctions from, any Governmental Authority regarding any past violations of International Trade Laws.

Section 3.18 Anticorruption; Improper Payments. None of Seller, nor any Representative, Affiliate, or any other Person authorized to act on behalf of Seller, will or has, directly or indirectly, taken any act in furtherance of an offer, payment, promise to pay, authorization, or ratification of payment, directly or indirectly, of any money or anything of value (including any gift, sample, rebate, travel, meal and lodging expense, entertainment, service, equipment, debt forgiveness, donation, grant or other thing of value, however characterized) to any Government Official or any other Person to secure any improper advantage or to obtain or retain business that would or may cause Seller to be in violation of Improper Payment Laws. Seller complies, will and has at all times complied, with all Improper Payment Laws. Without limiting the generality of the foregoing, (a) Seller has not violated and is not in violation of, in any material respect, the U.S. Anti-Kickback Statute (42 U.S.C. Section 1302a-7(b)), the Federal False Claims Act (31 U.S.C. Sections 3729, et seq.) or any related or similar Law and (b) there has been no use or authorization of money or anything of value relating to any unlawful payment or secret or unrecorded fund or any false or fictitious entries made in the books and records of Seller relating to the same. None of Seller, nor any equityholder of Seller, nor any of their respective Representatives, Affiliates or Persons acting on their behalf have received any notice or communication from any Person that alleges, nor been involved in any internal investigation involving any allegations relating to potential violation of any Improper Payment Laws or other applicable Law, nor have received a request for information from any Governmental Authority regarding Improper Payment Laws. None of Seller, nor any Representative, Affiliate or other agent of Seller, has employed or retained, directly or indirectly, a Government Official or a family member of a Government Official. No Government Official has, directly or indirectly, the right of control over, or any beneficial interest in Seller. Seller further agrees that should it learn of any information regarding potential violations of the Improper Payment Laws or any information otherwise relevant to this provision, it will promptly advise Purchaser of such knowledge or suspicion.

Section 3.19 Affiliate Interests and Transactions.

(a) No Related Party of Seller: (i) owns or has owned, directly or indirectly, any equity or other financial or voting interest in any supplier, licensor, lessor, distributor, independent contractor or customer of Seller or any of its direct and indirect subsidiaries or their business; (ii) owns or has owned, directly or indirectly, or has or has had any interest in any property (real or personal, tangible or intangible) that Seller or any of its respective subsidiaries uses or has used in or pertaining to the Business; or (iii) has or has had any business dealings in any transaction with Seller or any of its subsidiaries or involving any assets or property of Seller or any of its subsidiaries, other than business dealings or transactions conducted in the ordinary course consistent with past practice at prevailing market prices and on prevailing market terms.

(b) There are no Contracts by and between Seller or any of its subsidiaries, on the one hand, and any Related Party of Seller or any of their respective subsidiaries or Affiliates, as the case may be, on the other hand, pursuant to which such Related Party provides or receives any information, assets, properties, support or other services to or from Seller or any of its subsidiaries (including Contracts relating to billing, financial, tax, accounting, data processing, human resources, administration, legal services, information technology and other corporate overhead matters).

Section 3.20 Restricted Securities. Seller understands that the shares of Parent Common Stock to be issued pursuant to this Agreement have not been registered under the Securities Act, by reason of a specific exemption from the registration provisions of the Securities Act which depends upon, among other things, the bona fide nature of the investment intent and the accuracy of Seller's representations as expressed herein. Until such time as the shares of Parent Common Stock are registered in accordance with Section 5.16, Seller understands that the shares of Parent Common Stock to be issued pursuant to this Agreement are "restricted securities" under applicable U.S. federal and state securities laws and that, pursuant to these laws, Seller must hold the shares of Parent Common Stock until they are registered with the SEC and qualified by state authorities, or an exemption from such registration and qualification requirements is available. Seller acknowledges that if an exemption from registration or qualification is available, it may be conditioned on various requirements including the time and manner of sale, the holding period for the Parent Common Stock and on requirements relating to Parent which are outside of Seller's control, and which Parent is under no obligation and may not be able to satisfy.

Section 3.21 Accredited Investor. Seller is an "accredited investor" as defined in Rule 501(a) of Regulation D promulgated under the Securities Act.

Section 3.22 Investment Experience. Seller represents that it is a sophisticated investor experienced in evaluating and investing in private placement transactions of securities of companies in similar stage of development as Purchaser and acknowledges that Seller can bear the economic risk of its investment for an indefinite period of time, and has such knowledge and experience in financial and business matters that Seller is capable of evaluating the merits and risks of the investment in the Parent Common Stock.

Section 3.23 No General Solicitation. Neither Seller, nor any of Seller's officers, managers, employees, agents, members or partners has either directly or indirectly, including through a broker or finder (a) engaged in any general solicitation, or (b) published any advertisement in connection with the offer and sale of the Parent Common Stock.

Section 3.24 Legends. Seller understands that the Parent Common Stock acquired hereunder and any securities issued in respect of or exchange therefor may bear any one or more of the following legends:

(a) "THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), AND MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED, ASSIGNED, PLEDGED OR HYPOTHECATED UNLESS REGISTERED UNDER THE ACT OR UNLESS AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE ACT IS AVAILABLE.";

(b) "THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO THE TERMS AND CONDITIONS OF A VOTING AND STANDSTILL AGREEMENT WHICH PLACES CERTAIN RESTRICTIONS ON VOTING OF THE SHARES REPRESENTED HEREBY. ANY PERSON ACCEPTING ANY INTEREST IN SUCH SHARES SHALL BE DEEMED TO AGREE TO AND SHALL BECOME BOUND BY ALL THE PROVISIONS OF SUCH AGREEMENT. A COPY OF SUCH VOTING AND STANDSTILL AGREEMENT WILL BE FURNISHED TO THE RECORD HOLDER OF THIS CERTIFICATE WITHOUT CHARGE UPON WRITTEN REQUEST TO THE COMPANY AT ITS PRINCIPAL PLACE OF BUSINESS.";

(c) "THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO CERTAIN VOLUME AND TRADING RESTRICTIONS AS SET FORTH IN AN AGREEMENT BETWEEN PARENT AND THE REGISTERED HOLDER, OR SUCH HOLDER'S PREDECESSOR IN INTEREST, A COPY OF WHICH IS ON FILE AT THE PRINCIPAL OFFICE OF PARENT. ANY TRANSFER OR ATTEMPTED TRANSFER OF ANY SHARES IN VIOLATION OF SUCH AGREEMENT IS VOID."; and

(d) any legend required by the securities laws of any state to the extent such laws are applicable to the Parent Common Stock represented by the certificate so legended.

Section 3.25 Information; Investment Purpose. Seller has requested, received, reviewed and considered all the information Seller deems necessary, appropriate or relevant as a prudent and knowledgeable investor in evaluating the investment in Parent Common Stock. Seller further represents that it has had an opportunity to ask questions of and receive answers from Purchaser regarding the terms and conditions of the offering of the shares of Parent Common Stock and the business, prospects and financial condition of Purchaser necessary to verify the accuracy of any information furnished to Seller or to which Seller had access. Seller is acquiring the shares of Parent Common Stock pursuant to this Agreement in the ordinary course of Seller's business and for Seller's own account for investment purposes only and with no present intention of distributing any Parent Common Stock, and no arrangement or understanding exists with any other persons regarding the distribution of Parent Common Stock.

Section 3.26 No Brokers or Finders. Except for Mufson Howe Hunter & Company LLC, neither Seller nor any of its Affiliates has retained any broker or finder, agreed to pay or made any statement or representation to any Person that would entitle such Person to, any broker's, finder's or similar fees or commissions in connection with the Transactions.

Section 3.27 Disclosure. None of the representations and warranties contained in this Article III, the information contained in the Exhibits and Disclosure Schedules attached hereto and the written statements, documents, certificates or other items prepared and supplied to Purchaser or its Affiliates by or on behalf of Seller in connection with the transaction contemplated hereby, contain any untrue statement of a material fact or omit a material fact necessary to make each statement contained herein or therein, in light of the circumstances in which they were made, not misleading.

ARTICLE IV
REPRESENTATIONS AND WARRANTIES OF PARENT AND ACQUISITION SUB

Parent and Acquisition Sub hereby represent and warrant to Seller as of the date hereof and as of the Closing as follows:

Section 4.1 Organization; Authorization. Parent is a corporation and Acquisition Sub is a limited liability company; each is duly organized, validly existing and in good standing (except to the extent that the failure to be in good standing would not be material to Parent or Acquisition Sub, as applicable) under the Laws of the State of Delaware and has all requisite power and authority to own, lease and operate its assets, properties and business and to carry on its business as now being conducted. Acquisition Sub is wholly owned by Acquisition Sub Parent and Acquisition Sub Parent is wholly owned by Parent. Each of Parent and Acquisition Sub has all requisite power and authority to execute and deliver the Transaction Documents, to consummate the Transactions and to comply with the terms, conditions and provisions hereof and thereof. The execution, delivery and performance by each of Parent and Acquisition Sub of the Transaction Documents to which it is or will be a party have been duly and properly authorized by all requisite corporate action in accordance with applicable Law and with its organizational documents. The Transaction Documents to which either Parent and Acquisition Sub is or will be a party have been or will be duly executed and delivered by Parent and Acquisition Sub, as applicable, and constitute the legal, valid and binding obligation of Parent or Acquisition Sub, as applicable, enforceable against it in accordance with its terms, except as such enforceability may be limited by the Bankruptcy and Equity Exception.

Section 4.2 No Violation. The execution, delivery and performance by each of Parent and Acquisition Sub of the Transaction Documents to which it is a party and the consummation by each of Parent and Acquisition Sub of the Transactions will not violate, contravene or conflict with any: (a) Law; or (b) provision of the charter documents, bylaws or similar organizational documents of Parent or Acquisition Sub.

Section 4.3 Consents and Approvals. No consent, approval, Order or authorization of, or registration, declaration or filing with, or notice to, any Governmental Authority or other Person is required to be made or obtained by Parent, Acquisition Sub Parent or Acquisition Sub in connection with the authorization, execution, delivery and performance by Parent, Acquisition Sub Parent or Acquisition Sub of the Transaction Documents to which Parent, Acquisition Sub Parent or Acquisition Sub is a party, or the consummation by Parent, Acquisition Sub Parent or Acquisition Sub of the Transactions, except for (a) the filing with the SEC of such filings and other reports as may be required pursuant to the applicable requirements of the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), (b) the applicable requirements of Nasdaq, and (c) the filings of documents with any applicable state securities authorities that may be required in connection with the issuance of Parent Common Stock.

Section 4.4 Valid Issuance. The shares of Parent Common Stock to be issued pursuant to Article II will, when issued in accordance with the provisions of this Agreement, be validly issued, fully paid and nonassessable.

Section 4.5 Parent SEC Filings. Except as set forth on Schedule 4.5 of Parent's disclosure schedule attached hereto, Parent has timely filed with the SEC all reports, schedules, forms, statements, and other documents required to be filed by Parent under the Securities Act and Exchange Act for the one year period preceding the Closing Date (or such shorter period as Parent was required by Law to file such material) (the foregoing materials being collectively referred to herein as the "**Parent SEC Documents**"). As of their respective dates, each of the Parent SEC Documents complied as to form in all material respects with the applicable requirements of the Securities Act, the Exchange Act, and the Sarbanes-Oxley Act, and the rules and regulations of the SEC thereunder applicable to such Parent SEC Documents. None of the Parent SEC Documents, when filed, contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading.

ARTICLE V
COVENANTS AND AGREEMENTS

Section 5.1 Agreements Regarding Tax Matters.

(a) Allocation. Purchaser and Seller agree that the Purchase Price (plus any Assumed Liabilities or other items treated as consideration for income Tax purposes) shall be allocated for all income Tax purposes consistently with Section 1060 of the Code as shown on an allocation schedule to be prepared in accordance with this Section 5.1(a) (the "**Allocation Schedule**"). Purchaser shall prepare and provide the Allocation Schedule to Seller within 90 days after the Closing Date. If within 20 days after such delivery, Seller notifies Purchaser in writing that it objects to the allocation set forth in the Allocation Schedule, the Parties shall use commercially reasonable efforts to resolve such dispute. In the event that the Parties are unable to resolve such dispute within 20 days, the dispute shall be resolved by the Independent Accountant, and the Allocation Schedule shall be adjusted to reflect such resolution. Any and all fees, expenses and costs of the Independent Accountant shall be borne by the Party whose proposed determination of all disputed items submitted to the Independent Accountant, in the aggregate, yields the larger discrepancy to that of the Independent Accountant's final determination of such disputed items. In the event of any adjustment to the Purchase Price (or any other item of consideration for income Tax purposes) requiring an amendment to the Allocation Schedule, Purchaser shall amend the Allocation Schedule in accordance with this Section 5.1(a) and shall provide such amended allocation to Seller (which, subject to the dispute resolution provisions set forth in this Section 5.1(a) shall become the Allocation Schedule). Each Party agrees to (i) prepare and timely file all applicable Tax Returns in a manner consistent with the final Allocation Schedule and (ii) act in accordance with any such Allocation Schedule for all Tax purposes, in each case unless otherwise required by a "determination" within the meaning of Section 1313 of the Code.

(b) Straddle Period Taxes. In the case of any real or personal property Taxes (or other similar ad valorem Taxes or Taxes imposed on a periodic basis) attributable to the Business or the Acquired Assets that are imposed for a taxable period beginning on or before and ending after the Closing Date (each, a "**Straddle Period Tax**"), any such Straddle Period Taxes shall be prorated between Purchaser and Seller on a daily basis. The Party required by Law to pay any such Straddle Period Tax (the "**Paying Party**") shall file the Tax Return related to such Straddle Period Tax within the time period prescribed by Law and shall timely pay such Straddle Period Tax. To the extent any portion of such payment is the responsibility of the other party hereunder, the Paying Party shall provide the other party (the "**Non-Paying Party**") with notice of the amount of such Straddle Period Taxes, and within 10 days of receipt of such notice, the Non-Paying Party shall reimburse the Paying Party for the Non-Paying Party's share of such Straddle Period Taxes.

(c) Transfer Taxes. All transfer, documentary, sales, use, stamp, value added, goods and services, excise, registration and other similar Taxes, and all conveyance or filing fees, recording charges and other similar fees and charges (including any penalties and interest) incurred in connection with the consummation of the transactions contemplated by this Agreement and any Ancillary Agreements (including, for the avoidance of doubt, any stock Transfer Taxes applicable to the sale of Registrable Securities) ("**Transfer Taxes**") shall be paid 50% by Seller and 50% by Purchaser when due, and Seller shall at its expense prepare and file all Tax Returns and other documentation with respect to all such Transfer Taxes, and if required by Law, Purchaser shall join in the execution thereof.

(d) Cooperation. To the extent relevant to the Business or the Acquired Assets, each Party shall, at the expense of the requesting Party: (i) provide the other with such assistance as may reasonably be required in connection with the preparation of any Tax Return and the conduct of any audit or other examination by any Governmental Authority or in connection with judicial or administrative proceedings relating to any Liability for Taxes and (ii) retain and provide the other with all records or other information that may be relevant to the preparation of any Tax Returns, or the conduct of any audit, examination or other proceeding relating to

Taxes (each, a "**Tax Contest**"). Such cooperation shall include obtaining and providing appropriate forms, providing the necessary powers of attorney, retaining and providing records and information that are reasonably relevant to any such Tax Return or Tax Contest, and making employees available on a mutually convenient basis to provide additional information and explanation of any materials provided hereunder, in each case at the expense of the party requesting such cooperation. Seller shall retain all documents, including prior years' Tax Returns, supporting work schedules and other records with respect to the Acquired Assets and Business, including all sales, use and employment Tax Returns and shall not destroy or otherwise dispose of any such records for six years after Closing or, if later, until the expiration of the applicable statute of limitations, without the prior written consent of Purchaser.

Section 5.2 Employee Matters. Nothing in this Agreement shall (a) create a Contract between Purchaser and any Service Provider, or (b) require or be construed to require Purchaser or any Affiliate of Purchaser to provide any employee benefit plan or non-cash compensation (including retirement benefits, health or welfare benefits, equity-based compensation, or severance) to any Person (other than the Earn-Out Shares or Transition Payment Shares required under this Agreement). Notwithstanding anything in this Agreement to the contrary, no Service Provider may rely on this Agreement as the basis for any breach of contract claim against Purchaser.

Section 5.3 Further Assurances. Each of the Parties agrees that subsequent to the Closing, upon the reasonable request of any other Party from time to time, it shall execute and deliver, or cause to be executed and delivered, such further instruments and take such other actions as may be necessary or desirable to carry out the transactions contemplated by the Transaction Documents or to vest, perfect or confirm of record or otherwise in Purchaser any and all right, title and interest in, to and under any of the Acquired Assets as a result of or in connection with the Transactions.

Section 5.4 Public Announcements. Neither Seller nor any Key Owner or any of their respective Affiliates, or any of their Representatives shall issue or cause the publication of any press release or other public announcement relating to the Transaction Documents or the Transactions (whether before or after the Closing) without the prior written consent of Purchaser, except as such Person believes in good faith and based on reasonable advice of counsel is required by applicable Law (in which case the disclosing Person will advise Purchaser in writing before making such disclosure). Purchaser shall provide Seller with a draft of the press release announcing the Transaction and consider Seller's comments thereto in good faith.

Section 5.5 Wrong Pocket Provisions.

(a) If, at any time following the Closing, Seller becomes aware that any Acquired Asset which should have been transferred to Purchaser or a Purchaser Designee pursuant to the terms of the Transaction Documents was not transferred to Purchaser or a Purchaser Designee as contemplated by the Transaction Documents, then Seller shall promptly transfer or cause its Affiliates to transfer such Acquired Asset to Purchaser or the applicable Purchaser Designee for no additional consideration.

(b) If, at any time following the Closing, Seller becomes aware that any Assumed Liability (whether arising prior to, at or following the Closing) was not assumed by Purchaser or a Purchaser Designee as contemplated by this Agreement or the Ancillary Agreements, then Seller shall promptly notify Purchaser and the applicable Purchaser Designee and Purchaser, the applicable Purchaser Designee and Seller shall each use reasonable efforts to resolve the ownership of such Assumed Liability by written agreement. Notwithstanding the foregoing, nothing in this subparagraph shall be deemed to affect or impair the rights and obligations of the parties set forth in Article VII.

(c) If, at any time following the Closing, Purchaser or a Purchaser Designee becomes aware that any Excluded Asset which should have been retained by Seller pursuant to the terms of this Agreement or the Ancillary Agreements was transferred to Purchaser or a Purchaser Designee, then Purchaser or the applicable Purchaser Designee shall promptly transfer or cause its Affiliates to transfer such Excluded Asset to Seller for no additional consideration.

(d) If, at any time following the Closing, Purchaser or a Purchaser Designee becomes aware that any Excluded Liability (whether arising prior to, at or following the Closing) was assumed by Purchaser or a Purchaser Designee, then Purchaser shall promptly notify Seller and Purchaser, the applicable Purchaser Designee and Seller shall each use reasonable efforts to resolve the ownership of such Excluded Liability by written agreement. Notwithstanding the foregoing, nothing in this subparagraph shall be deemed to affect or impair the rights and obligations of the parties set forth in Article VII.

Section 5.6 Purchaser Designees. Purchaser may designate Persons that are direct or indirect wholly owned subsidiaries of Purchaser as of the Closing (the "**Purchaser Designees**"), (a) as purchasers of any of the Acquired Assets or (b) to assume any of the Assumed Liabilities, in each case in accordance with a written designation made by Purchaser to Seller in writing and in accordance with the terms of this Agreement. Whenever a Purchaser Designee is required to engage in an act or omission, Purchaser agrees to cause such Purchaser Designee to do so, and Purchaser also agrees to be responsible for the acts and omissions of each Purchaser Designee if in violation of the terms hereof.

Section 5.7 Restrictive Covenants.

(a) Non-Competition. Seller and each Key Owner hereby covenants and agrees that, during the period beginning on the Closing Date and ending on the date that is the second anniversary of the Closing Date (the "**Restricted Period**"), such Party and their respective Affiliates will not, directly or indirectly, engage or participate in any manner (as an owner, equityholder, financing source, director, manager, officer, employee, agent, representative, consultant, service provider or otherwise) in any business, including worldwide retail and online sale, that would reasonably be deemed to compete with the products sold as part of the Acquired Assets, anywhere in world. Notwithstanding the foregoing, nothing contained in this Section 5.7(a) shall prohibit Seller or any Key Owner or their respective Affiliates from the passive ownership of less than 2% of any class of stock listed on a national securities exchange or traded in the over-the-counter market.

(b) Non-Solicitation of Business Relationships. Without limiting the generality of the provisions of Section 5.7(a) above, Seller and each Key Owner hereby covenants and agrees that during the Restricted Period, each such Party and their respective Affiliates will not, directly or indirectly, solicit, induce or advise or participate in any manner (as an owner, equityholder, financing source, director, manager, officer, employee, agent, representative, consultant, service provider or otherwise) in any business that solicits, induces or advises, any Person that is or was a customer, supplier or other business relation of Seller or its Affiliates at any time during the 24 month period prior to the Closing Date for purposes of diverting such Person's business from Purchaser or a Purchaser Designee.

(c) Non-Solicitation of Employees and Contractors. Seller and each Key Owner hereby covenants and agrees that during the Restricted Period each such Party and their respective Affiliates will not, directly or indirectly, solicit, induce, employ or engage, or participate in any manner (as an owner, equityholder, financing source, director, manager, officer, employee, agent, representative, consultant, service provider or otherwise) in any business that solicits, induces, employs or engages, any individual that served as an employee or independent contractor of Seller or its Affiliates and becomes an employee or independent contractor of Purchaser or any of its Affiliates upon or as a result of the Transactions, or otherwise seek to adversely influence or alter any such Person's relationship with Purchaser or any of Affiliates of Purchaser.

(d) Non-Disparagement.

(i) Seller and each Key Owner hereby covenants and agrees that each such Party and its Affiliates will not, directly or indirectly, make or cause to be made any statement or other communication, written or otherwise, that could constitute disparagement of the Business or Purchaser. Nothing in this Section 5.7(d)(i) shall limit Seller or any Key Owner or their respective Affiliates' ability to (i) seek enforcement of their rights under any of the Transaction Agreements or (ii) make true and accurate statements or communications in connection with any disclosure any such Party or their respective Affiliates reasonably believe (based on reasonable advice of counsel) is required pursuant to applicable Law.

(ii) Purchaser hereby covenants and agrees that it and its Affiliates will not, directly or indirectly, make or cause to be made any statement or other communication, written or otherwise, that could constitute disparagement of the Seller or the Key Owners. Nothing in this Section 5.7(d)(ii) shall limit Purchaser or its Affiliates' ability to (i) seek enforcement of their rights under any of the Transaction Agreements or (ii) make true and accurate statements or communications in connection with any disclosure any such Party or their respective Affiliates reasonably believe (based on reasonable advice of counsel) is required pursuant to applicable Law.

(e) Acknowledgements; Remedies. Seller and each Key Owner hereby acknowledges and agrees that (i) the covenants and agreements set forth in this Section 5.7 were a material inducement to Purchaser to enter into this Agreement and to perform its obligations hereunder, (ii) Purchaser, any Purchaser Designees and their Affiliates would not obtain the benefit of the bargain set forth in this Agreement as specifically negotiated by the Parties if Seller or any Key Owner or any of their respective Affiliates breached any provision of this Section 5.7, (iii) any breach of any provision of this Section 5.7 by Seller or any Key Owner or any of their respective Affiliates would result in a significant loss of goodwill by Purchaser and the Business, (iv) the Purchase Price is sufficient consideration to make the covenants and agreements set forth herein enforceable, (v) the length of time, scope and geographic coverage of the covenants set forth in this Section 5.7 is reasonable given the benefits Seller and the Key Owners will directly or indirectly receive hereunder, (vi) Seller and each Key Owner are familiar with all the restrictive covenants contained in this Section 5.7 and are fully aware of its obligations hereunder, and (vii) Seller and each Key Owner will not (individually or together) challenge the reasonableness of the time, scope, geographic coverage or other provisions of this Section 5.7 in any Proceeding, regardless of who initiates such Proceeding. If any provision of this Section 5.7 relating to the length of time, scope or geographic coverage shall be declared by a court of competent jurisdiction or arbitrator to exceed the maximum length of time, scope geographic coverage, as applicable, under applicable Law, said length of time, scope or geographic coverage shall be deemed to be, and thereafter shall become, the maximum length of time, scope or geographic coverage that such court or arbitrator deems reasonable and enforceable and this Agreement shall automatically be considered to have been amended and restated to reflect such determination. Seller and each Key Owner further acknowledges and agrees that irreparable injury will result to Purchaser or any Purchaser Designees if Seller or any Key Owner or any of their respective Affiliates breaches any of the terms of this Section 5.7, and that in the event of an actual or threatened breach by Seller or any Key Owner or any of their respective Affiliates of any of the provisions contained in this Section 5.7, Purchaser or any Purchaser Designees will have no adequate remedy at Law. Seller and each Key Owner accordingly agree that in the event of any actual or threatened breach by Seller or any Key Owner or any of their respective Affiliates of any of the provisions contained in this Section 5.7, Purchaser or the applicable Purchaser Designee shall be entitled to injunctive and other equitable relief without (A) posting any bond or other security, (B) proving actual damages and (C) showing that monetary damages are an inadequate remedy. Nothing contained herein shall be construed as prohibiting Purchaser or any Purchaser Designee from pursuing any other remedies available to it for such breach or threatened breach, including the recovery of any damages that it is able to prove. Seller and each Key Owner shall cause their respective Affiliates to comply with this Section 5.7, and shall be liable for any breach by any of their respective Affiliates of this Section 5.7. In the event of a breach or violation by Seller or any Key Owner or any of their respective Affiliates of this Section 5.7, the Restricted Period with respect to such party shall be extended by a period of time equal to the period of time during which such Person violates the terms of this Section 5.7; *provided*, *however*, that such extension shall be for a maximum of one year. Notwithstanding the foregoing, as used in this Section 5.7, the term Affiliates does not include any passive investor or limited partner of any Key Owner.

Section 5.8 Release and Waiver.

(a) Seller and each Key Owner, effective upon the Closing, on behalf such Person, such Person's Affiliates that such Person controls, predecessors, successors and assigns, as applicable, and each of such Person's and their, as applicable, respective past, present and future stockholders, officers, directors, employees, and other Representatives, hereby irrevocably waives, releases and discharges Purchaser and its officers, directors, managers, stockholders, members, unitholders, Affiliates and Representatives (collectively, the "**Released Parties**"), from any and all claims, Liabilities, debts or obligations of any kind or nature whatsoever (including in respect of rights of contribution or indemnification), in each case whether absolute or contingent, liquidated or unliquidated, known or unknown, and agrees not to bring or threaten to bring or otherwise join in any claim against any of the Released Parties relating to, arising out of or in any way connected with any facts or circumstances (known or unknown) relating to the Business which existed on or prior to the Closing Date; *provided* that the foregoing waiver and release shall not apply to any claim, indemnity, or obligation of Purchaser pursuant to the Transaction Documents or in respect of any Assumed Liability. Except as otherwise expressly provided for in the Transaction Documents, Seller and each Key Owner agrees that from and after the Closing, Purchaser will not have any Liabilities to such Person or any of their respective Affiliates.

(b) Seller shall make commercially reasonable efforts to deliver to Purchaser at or promptly following the Closing a release, in form and substance substantially reasonably satisfactory to Purchaser, and including terms no less favorable to the Released Parties than the release provided by Seller and each Key Owner pursuant to Section 5.8(a) hereof, from each of its equityholders not party to this Agreement.

Section 5.9 R&W Insurance Policy. Seller shall provide reasonable assistance to Purchaser as is required in furtherance of any claim(s) that Purchaser may make under the R&W Insurance Policy. Purchaser shall bear the full amount of the premium and any retention amounts of such R&W Insurance Policy.

Section 5.10 Data Room. To the extent required by the R&W Insurance Policy and as requested by Purchaser, Seller shall deliver to Purchaser within 10 Business Days after the Closing Date a flash drive containing copies of all documents contained in the Data Room as of the Closing Date.

Section 5.11 Key Owners' Obligations. Each Key Owner shall, and shall cause Seller to, perform and comply with each of the covenants set forth in this Agreement. Each Key Owner acknowledges and agrees that such Person will derive substantial benefit from the consummation of the Transactions and such Person's execution and delivery of this Agreement is a material inducement and condition to Purchaser's willingness to enter into the Agreement and to consummate the Transactions. Each Key Owner hereby (a) acknowledges that Seller has made certain covenants and undertaken and is subject to certain obligations under this Agreement and the Ancillary Agreements, (b) agrees to cause Seller to perform and comply with each of its covenants and obligations set forth in this Agreement and the Ancillary Agreements, and (c) agrees to guarantee and be severally and not jointly responsible for the payment and performance of Seller's obligations, including indemnification obligations, under this Agreement and the Ancillary Agreements.

Section 5.12 Audited Financial Statements.

(a) In connection with Seller's delivery to Purchaser at or before the Closing of the Rule 3-05B Financial Statements, for one year following the Closing, Seller shall reasonably cooperate with Purchaser regarding other financial information relating to the Business that Purchaser determines may be required in connection with any filing with the SEC by Purchaser after the Closing.

(b) To the extent Purchaser determines that it is required to file the Rule 3-05B Financial Statements with the SEC under applicable requirements of Law within one year following the Closing Date, then Seller will use their commercially reasonable efforts to cause the Independent Auditor to provide to Purchaser no later than five Business Days prior to the required filing date of the Rule 3-05B Financial Statements the consents necessary to permit the inclusion of the Audit Opinion in any reports and registration statements of Purchaser.

(c) Whether or not Purchaser is ultimately required to file the Rule 3-05B Financial Statements with the SEC under applicable Law, Purchaser shall reimburse Seller within 30 days of receipt of detailed invoices for all reasonable, documented out-of-pocket costs, fees and expenses incurred by Seller in connection with the preparation of the Rule 3-05B Financial Statements and the Audit Opinion, including any such costs, fees and expenses paid or payable to third party consultants (in each case, without markup and on a pass-through basis) and (ii) in connection with the assistance requested under Sections 5.12(a) and (b).

Section 5.13 Confidentiality. The Confidentiality Agreement is hereby terminated and of no further force and effect and from and after the Closing, Seller and each Key Owner shall, and shall cause their respective Representatives to, hold in confidence all Confidential Information and Seller and each Key Owner shall be liable for the disclosure of such Confidential Information by their respective Representatives to the same extent as if such Representative were the disclosing party. If Seller or any Key Owner or any of their respective Representatives are requested or required by Order to disclose any such Confidential Information, Seller or such Key Owner(s), as applicable, to the extent lawful, shall promptly notify Purchaser of the same to permit Purchaser to seek a protective order or take other action deemed appropriate by Purchaser. In such circumstances, Seller or such Key Owner(s), as applicable, will participate in Purchaser's efforts to obtain a protective order or other reasonable assurance that confidential treatment will be afforded to such Confidential Information. If, absent the entry of a protective order, Seller or such Key Owner(s), as applicable, and such Person's Representatives are, in the written opinion of their legal counsel, compelled as a matter of Law to disclose any such Confidential Information, such Person may disclose to the party compelling disclosure only that part of such Confidential Information as is required by Law to be disclosed, and such Person shall exercise its reasonable best efforts to obtain confidential treatment therefor. Upon Purchaser's request, Seller and each Key Owner will each return and cause their respective Representatives to return to Purchaser all such Confidential Information provided by or on behalf of Purchaser and destroy all Confidential Information prepared by Seller, any Key Owner or their respective Representatives, except to the extent Seller or any Key Owner is required to retain such Confidential Information to comply with applicable Law or destruction of electronic forms of Confidential Information is not reasonably possible.

Section 5.14 Seller's Operations and Solvency. Seller agrees that it shall remain solvent and continue to meet its obligations hereunder, including Seller's indemnification and other payment obligations set forth in this Agreement, and shall not wind-down, liquidate or otherwise dissolve its corporate (or similar) existence until the termination of the Transition Services Agreement, and the expiration of Seller's obligations hereunder.

Section 5.15 Post-Closing Access; Preservation of Records. As may be reasonably required by Purchaser in connection with (a) any claims or allegations relating to the Excluded Liabilities, the Acquired Assets or the Business, (b) preparation of any Tax Return or in connection with a Tax audit, examination or proceeding, (c) compliance with any reporting, filing or other requirements imposed by any Governmental Authority, (d) compliance with applicable Law, or (e) any pending or threatened Proceeding, for a period of six years after the Closing, at Purchaser's reasonable request, Seller will provide, at Purchaser's expense, Purchaser and its officers, directors, employees, agents and Representatives with reasonable access to and the right to make copies of those records and documents related to the Business, the possession of which is in the control of the Seller; *provided*, that such access shall not be provided in violation of any Law; *provided*, *further*, that such access shall be subject to any limitations that are reasonably required to preserve any applicable attorney-client privilege or comply with any third party confidentiality obligation of Seller to provide access, but subject to

Seller's obligation to use reasonable best efforts to develop alternative means to provide information that is subject to such limitations. If during such period Seller elects to dispose of such records and documents other than in accordance with its record retention policies in the ordinary course of business, Seller shall give Purchaser 30 days' prior written notice of such election, during which period Purchaser will have the right to take such records and documents without further consideration.

Section 5.16 Registration and Certain Other Rights.

(a) Definitions. The following definitions will apply to this Section 5.16.

(i) "**Register**," "**registered**," and "**registration**" shall refer to a registration under the Securities Act effected by preparing and filing (A) a Registration Statement in compliance with the Securities Act and applicable rules and regulations thereunder, and the declaration or ordering of effectiveness of such Registration Statement or (B) a prospectus or prospectus supplement in respect of an appropriate effective Registration Statement.

(ii) "**Registrable Securities**" means (A) the issued shares of Parent Common Stock representing the Transition Payment Shares or the Earn-Out Shares and (B) any equity securities of Parent issued or issuable directly or indirectly with respect to the securities referred to in the foregoing clause (A) by way of stock dividend or stock split or in connection with a combination of shares, recapitalization, reclassification, merger, amalgamation, arrangement, consolidation or other reorganization; *provided* that, such securities will cease to be Registrable Securities upon the earliest to occur of (1) when they are sold pursuant to an effective Registration Statement under the Securities Act, or (2) when they become eligible for sale without restriction pursuant to Rule 144 (including Rule 144(c)).

(iii) "**Registration Expenses**" means all expenses incurred by Parent in effecting any registration pursuant to this Agreement (whether or not any registration or prospectus becomes effective or final) or otherwise complying with its obligations under this Section 5.16, including all registration, filing and listing fees, printing expenses, fees and disbursements of counsel for Parent, blue sky fees and expenses, expenses of Parent's independent accountants in connection with any regular or special reviews or audits incident to or required by any such registration, but shall not include Selling Expenses.

(iv) "**Registration Statement**" means any registration statement of Parent filed under the Securities Act that covers the resale of any of the Registrable Securities pursuant to the provisions of this Agreement, amendments and supplements to such Registration Statement, including post-effective amendments, all exhibits and all material incorporated by reference in such Registration Statement.

(v) "**Rule 144**" means Rule 144 promulgated by the SEC pursuant to the Securities Act, as such rule may be amended or interpreted from time to time, or any similar rule or regulation hereafter adopted by the SEC having substantially the same purpose and effect as such rule.

(vi) "**Seller Indemnitee**" means: (a) Seller; (b) such Person's current and future Affiliates; (c) the respective Representatives of the Persons referred to in clauses "(a)" and "(b)" above; and (d) the respective successors and assigns of the Persons referred to in clauses "(a)," "(b)," and "(c)" above.

(vii) "**Selling Expenses**" means all discounts, selling commissions and stock Transfer Taxes applicable to the sale of Registrable Securities and fees and disbursements of financial advisors for Seller and all similar commissions relating to Seller's disposition of Registrable Securities.

(b) Registration Rights. Subject to the terms and conditions of this Agreement and Parent's receipt of information from Seller that is required to be included in a Registration Statement regarding Seller, Parent hereby agrees to prepare and file with the SEC (i) a Registration Statement or (ii) to the extent permitted by the rules and regulations of the SEC, a prospectus supplement in respect of an appropriate effective Registration Statement in each case for the purpose of registering the resale of all of the Registrable Securities as soon as reasonably practicable following the date on which such Registrable Securities are issued to Seller (any such date, the "**Issuance Date**"); *provided* that Parent may exclude the Registrable Securities of Seller if Seller has not materially complied with the provisions of this Section 5.16 or has notified Parent in writing of its election to exclude all of its Registrable Securities from such Registration Statement. A draft of any such Registration Statement or prospectus supplement shall be provided to Seller and its counsel for their review and comment a reasonable time prior to its filing. Parent shall use reasonable best efforts to keep any Registration Statement continuously effective and in compliance with the Securities Act and usable for resale of all Registrable Securities until the earlier of (A) the date on which all Registrable Securities covered by such Registration Statement have been sold and any required prospectus delivery period with respect to such sale shall have expired, and (B) the date on which all Registrable Securities covered by such Registration Statement may be sold without restriction pursuant to Rule 144 (including Rule 144(c)).

(c) Expenses of Registration. All Registration Expenses incurred in connection with any registration, qualification or compliance hereunder shall be borne by Parent. All Selling Expenses incurred in connection with any registrations hereunder shall be borne by Seller.

(d) Obligations of Parent.

(i) Parent shall use reasonable best efforts to file a Registration Statement within 60 days of the applicable Issuance Date; *provided*, *however*, that in no event shall Parent be required to file more than two Registration Statements in any 12 month period.

(ii) Parent shall use reasonable best efforts to cause any such Registration Statement to become effective. Parent shall notify Seller by e-mail as promptly as practicable after any such Registration Statement becomes effective or any prospectus or prospectus supplement has been filed and shall simultaneously provide Seller with copies of any related prospectus to be used in connection with the sale or other disposition of the securities covered thereby.

(iii) Parent shall use reasonable best efforts to prepare and file with the SEC such amendments and supplements to the applicable Registration Statement and the prospectus or prospectus supplement used in connection with such Registration Statement as may be necessary to comply with the provisions of the Securities Act with respect to the disposition of all securities covered by such Registration Statement; *provided*, *however*, that Parent shall have no obligation to amend any Registration Statement to give effect to any transfers effected by Seller.

(iv) Parent shall use its reasonable best efforts to procure the cooperation of Parent's transfer agent in settling any sale or transfer of Registrable Securities.

(v) If requested by Seller, Parent shall promptly include in a prospectus supplement or amendment such information as Seller may reasonably request in order to permit the intended method of distribution of such securities and make all required filings of such prospectus supplement or such amendment as soon as practicable after Parent has received such request; *provided*, *however*, that Parent shall have no obligation to file any prospectus supplement or amendment to give effect to any transfers effected by Seller.

(vi) For so long as Seller holds any Registrable Securities, Parent shall promptly notify Seller at any time when a prospectus relating to the sale of Registrable Securities is required to be delivered under the Securities Act of the happening of any event, as a result of which the prospectus included in such Registration Statement, as then in effect, includes an untrue statement of a material fact or omits to state any

material fact required to be stated therein or necessary to make the statements therein not misleading in light of the circumstances under which they were made, and at the request of a seller of Registrable Securities promptly prepare and furnish to Seller a reasonable number of copies of a supplement to or an amendment of such prospectus as may be necessary so that, as thereafter delivered to the purchasers of such securities, such prospectus shall not include an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading in light of the circumstances under which they were made.

(vii) Parent shall advise Seller of Registrable Securities promptly after it shall receive notice or obtain knowledge thereof, of (A) the issuance of any stop order, injunction or other order or requirement by the SEC suspending the effectiveness of any Registration Statement or the initiation or threatening of any Proceeding for such purpose, (B) the issuance by any state securities or other regulatory authority of any order suspending the qualification or exemption from qualification of any of the Registrable Securities under state securities or "blue sky" laws or the initiation or threat of initiation of any Proceedings for that purpose, and (C) the removal of any such stop order, injunction or other order or requirement or Proceeding or the lifting of any such suspension.

(viii) Parent shall use reasonable best efforts to prevent the issuance of any stop order, injunction or other order or requirement suspending the effectiveness of any Registration Statement and obtain as soon as practicable the withdrawal of any such stop order, injunction or other order or requirement that is issued.

(e) Suspension of Sales. Upon receipt of written notice from Parent that a Registration Statement, prospectus or prospectus supplement contains or may contain an untrue statement of a material fact or omits or may omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading, Seller shall forthwith discontinue use of any such Registration Statement until Seller has received copies of a supplemented or amended prospectus or prospectus supplement, or Seller is advised in writing by Parent that the use of the prospectus and, if applicable, prospectus supplement may be resumed, and, if so directed by Parent, Seller shall deliver to Parent all copies, other than permanent file copies then in Seller's possession, of the prospectus and, if applicable, prospectus supplement covering such Registrable Securities in use at the time of receipt of such notice. The total number of days that any such suspension described in this paragraph may be in effect in any 180-day period shall not exceed 30 Business Days.

(f) Obligations of Seller.

(i) Seller agrees that, upon receipt of any notice from Parent of the occurrence of any event of the kind described in Section 5.16(e) hereof, Seller shall immediately discontinue use of such Registration Statement covering such Registrable Securities until Seller's receipt of the copies of the supplemented or amended prospectus contemplated by Section 5.16(e) hereof or receipt of notice that no supplement or amendment is required and that the Seller's use of such Registration Statement may be resumed. Parent may provide appropriate stop orders to enforce the provisions of this Section 5.16(f).

(ii) Seller covenants and agrees that it will comply with the prospectus delivery requirements of the Securities Act as applicable to it or an exemption therefrom in connection with sales of Registrable Securities pursuant to any Registration Statement filed by Parent pursuant to this Agreement.

(iii) Seller covenants and agrees that it will notify Parent following the sale of Registrable Securities to a third party as promptly as reasonably practicable, and in any event within 10 days, following the sale of such Registrable Securities.

(iv) Seller agrees that it will not effect any disposition or other transfer of the Registrable Securities that would constitute a sale within the meaning of the Securities Act other than transactions exempt from the registration requirements of the Securities Act or pursuant to, and as contemplated in, any Registration Statement, and that it will promptly notify Parent of any material changes in the information set forth in any such Registration Statement furnished by or regarding Seller or its plan of distribution.

(g) Confidentiality. In the event the filing of any Registration Statement, prospectus or prospectus supplement is deferred pursuant to Section 5.16(e), or Seller's ability to trade is suspended pursuant to Section 5.16(e), by approving this Agreement and the consummation of the transactions contemplated hereby, or participating in the Transactions and receiving the benefits thereof, including the right to receive the consideration payable in connection with the Transactions, Seller agrees to treat such information confidentially and to not make public such information.

(h) Furnishing Information.

(i) Promptly after each Issuance Date (and in any event not less than 15 Business Days after such Issuance Date), Seller shall deliver to Parent, a fully completed and executed selling stockholder questionnaire, in substantially the form attached as Exhibit H (the "**Selling Stockholder Questionnaire**").

(ii) Seller shall not use any free writing prospectus (as defined in Rule 405) in connection with the sale of Registrable Securities without the prior written consent of Parent.

(iii) It shall be a condition precedent to the obligations of Parent to take any action pursuant to this Section 5.16 that the Seller shall furnish to Parent such information regarding themselves, the Registrable Securities held by them and the intended method of disposition of such securities as shall be reasonably required to effect the registered offering of their Registrable Securities, including executed Selling Stockholder Questionnaires requested in connection with any Issuance Date.

(i) Rule 144. With a view to making available the ability of Seller to rely upon Rule 144, Parent shall, for so long as Seller owns any Registrable Securities, (A) make and keep public information regarding Parent available, as those terms are understood and defined in Rule 144, (B) use reasonable best efforts to file with the SEC as promptly as practicable all reports and other documents required to be filed by Parent under the Securities Act and the Exchange Act; and (C) furnish, unless otherwise available to Seller at no charge by access electronically to the SEC's EDGAR filing system, promptly upon request (1) a copy of the most recent annual or quarterly report of Parent, and (2) such other reports and documents of Parent so filed with the SEC as Seller may reasonably request in availing itself of any rule or regulation of the SEC allowing Seller to sell any such securities without registration.

(j) Registration Statement Indemnification.

(i) Parent will indemnify and hold harmless each Seller Indemnitee against any Losses and Liabilities (or actions in respect thereof) to which any such Seller Indemnitee may become subject under the Securities Act or otherwise, insofar as such claims, Losses and Liabilities (or actions in respect thereof) arise out of or are based upon any untrue or alleged untrue statement of a material fact contained in any Registration Statement, prospectus, preliminary prospectus, free writing prospectus (as defined in Rule 405 under the Securities Act or any successor rule thereto) or any amendment thereof or supplement thereto or any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein (in the case of a prospectus, preliminary prospectus or free writing prospectus, in light of the circumstances under which they were made) not misleading; and shall reimburse Seller Indemnitees for any reasonable legal or other expenses reasonably incurred by them in connection with investigating or defending any such claims, Losses and Liabilities (or actions in respect thereof); *provided*, *however*, that Parent shall not be required to provide indemnification pursuant to this Section 5.16(j)(i): (A) where the claims, Losses and Liabilities (or actions in respect thereof) are caused by or contained in any information furnished in writing to Parent by Seller (or its

representative) or approved by Seller (or its Representative) expressly for use therein; (B) where the claims, Losses and Liabilities (or actions in respect thereof) are caused by Seller's failure to deliver a copy of such Registration Statement, prospectus, preliminary prospectus, free writing prospectus (as defined in Rule 405 under the Securities Act or any successor rule thereto) or any amendments or supplements thereto (if the same was required by applicable Law to be so delivered); or (C) where the claims, Losses and Liabilities (or actions in respect thereof) relate to offers or sales effected by or on behalf of Seller "by means of" (as defined in Rule 159A) a "free writing prospectus" (as such term is defined in Rule 405) that was not authorized in writing by Parent. This indemnity shall be in addition to any liability Parent may otherwise have.

(ii) Seller will indemnify and hold harmless Parent and Acquisition Sub, each legal counsel and each underwriter, broker or other Person acting on behalf of the holders of Registrable Securities and each Affiliate who controls (within the meaning of Section 15 of the Securities Act and Section 20 of the Exchange Act) any of the foregoing Persons against all claims, Losses and Liabilities (or actions in respect thereof) resulting from (A) Seller's failure to comply with the prospectus delivery requirements of the Securities Act, or (B) any untrue or alleged untrue statement of material fact contained in a Registration Statement, prospectus, preliminary prospectus, free writing prospectus (as defined in Rule 405 under the Securities Act or any successor rule thereto) or any amendment thereof or supplement thereto or any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein (in the case of a prospectus, preliminary prospectus or free writing prospectus, in light of the circumstances under which they were made) not misleading, but only to the extent that such untrue statement or omission is in writing and was either provided by Seller (or its representative) or approved by Seller (or its Representative) expressly for use in any Registration Statement, prospectus, preliminary prospectus, free writing prospectus or amendment or supplement thereto; and shall reimburse such Persons for any legal or other expenses reasonably incurred by any of them in connection with investigating or defending any such claims, Losses and Liabilities (or actions in respect thereof). This indemnity shall be in addition to any liability Seller may otherwise have, and shall, for the avoidance of doubt not be subject to any of the limitations set forth in Article VII.

Section 5.17 Trading Restrictions.

(a) Seller agrees that for so long as it or any of its Affiliates holds any of the outstanding shares of Parent Common Stock issued pursuant to this Agreement it shall not, directly or indirectly, (i) in a single Trading Day, sell, transfer or otherwise dispose of any such shares if such sale, transfer or other disposition would exceed 10% of the average daily trading volume of Parent Common Stock, as reported on Nasdaq, for the 10 consecutive Trading Days ending on the Trading Day immediately preceding such sale, transfer or other disposition, and (ii) without Purchaser's written consent (which shall not be unreasonably withheld) pledge, loan, margin or otherwise use as collateral for any obligations of Seller or any of its Affiliates any such shares of Parent Common Stock having an aggregate value in excess of 10% of the then-current value of such shares based on the closing price of Parent Common Stock, as reported on Nasdaq, for the Trading Day immediately prior to the date on which such shares are so pledged, loaned, margined or otherwise used as collateral to secure any obligations of Seller or any of its Affiliates.

(b) From and after the Closing and until such time as Seller no longer holds any shares of Parent Common Stock issued pursuant to this Agreement, Seller shall be required to deliver (or cause its broker, stock representative, registered representative, or other similar representative, as applicable, to deliver) to Purchaser, on each Trading Day, copies of trading statements of Seller and its Affiliates for the immediately preceding Trading Day with respect to any shares of Parent Common Stock sold, transferred, pledged, loaned, margined or otherwise used as collateral by Seller on such immediately preceding Trading Day, evidencing compliance with this Section 5.17.

Section 5.18 IP Registration Amendments. Seller acknowledges that it has made all necessary filings with the USPTO for recordation purposes to complete the IP Registration Amendments and, upon receipt from the USPTO of notices of recordation issued thereby evidencing that the IP Registration Amendments have been completed, agrees that it will provide such notices of recordation to Purchaser and assist Purchaser as necessary post-Closing to ensure the effectiveness of the IP Registration Amendments.

ARTICLE VI
CLOSING DELIVERABLES

Section 6.1 Seller's Closing Deliverables. At the Closing, Seller shall execute and cause to be delivered, and Purchaser shall have received, Seller's Closing Deliverables.

Section 6.2 Purchaser's Closing Deliverables. At the Closing, Purchaser shall execute and cause to be delivered, and Seller shall have received, Purchaser's Closing Deliverables.

ARTICLE VII
INDEMNIFICATION

Section 7.1 Survival.

(a) The representations, warranties, covenants and agreements contained herein shall survive the Closing. The indemnification obligations under Section 7.2 with respect to breaches of representations and warranties contained in this Agreement or any certificate delivered pursuant to this Agreement (i) that are not Fundamental Representations shall survive the Closing and continue until the date that is 24 months after the Closing Date and (ii) that are Fundamental Representations shall continue until the date that is 60 days after the date that is six years after the Closing Date.

(b) The indemnification obligations under Section 7.2 with respect to breaches of covenants and agreements contained in this Agreement or any certificate delivered pursuant to this Agreement shall survive the Closing and continue until the earlier of (i) the date that such agreements or covenants terminate pursuant to their terms and (ii) the date that is 60 days after the statute of limitations (giving effect to any waiver, mitigation or extension thereof) applicable to the subject matter of such covenants and agreements bars all claims with respect to such subject matter.

(c) Notwithstanding anything to the contrary contained herein, if written notice of any claim for indemnification hereunder has been delivered in accordance herewith prior to the expiration of the applicable period set forth above, the indemnification obligations hereunder shall continue with respect to such claim until the final resolution and satisfaction of such claim in accordance with the provisions of this Article VII, and Key Owners and Seller (collectively, the "**Seller Indemnifying Parties**") shall, severally but not jointly, and subject to the limitations set forth in Section 7.4, indemnify the Purchaser Indemnified Party for all Losses incurred in respect of such claim (subject to any applicable limitations herein), regardless of when such Losses are incurred.

Section 7.2 Indemnification by Seller, Key Owners. From and after the Closing, and subject to the terms of this Agreement (including the terms of Section 7.3), the Seller Indemnifying Parties shall, severally but not jointly, indemnify, defend and hold harmless the Purchaser Indemnified Parties from and against, and pay or reimburse the Purchaser Indemnified Parties for, any and all Losses relating to, imposed upon, suffered or incurred by any Purchaser Indemnified Party by reason of, resulting from or arising out of:

(a) any inaccuracy in or breach of any of the representations or warranties by Seller or Key Owners contained in this Agreement or any certificate delivered pursuant to this Agreement, that are Fundamental Representations;

(b) any breach by Seller or any Key Owner of any of their respective covenants or agreements contained in this Agreement or any certificate delivered pursuant to this Agreement;

(c) any Excluded Liability; and

(d) fraud.

Section 7.3 Indemnification Procedure.

(a) If any Purchaser Indemnified Party receives notice of the assertion of any claim or of the commencement of any Proceeding by any Person who is not a Party or an Affiliate of a Party (a "**Third Party Claim**") against such Purchaser Indemnified Party, with respect to which the Seller Indemnifying Parties are or may be required to provide indemnification under this Agreement, the Purchaser Indemnified Party shall give written notice regarding such Third Party Claim to Seller within 30 days after learning of such Third Party Claim, *provided* that the failure to so notify Seller shall not relieve Seller of its obligations under this Article VII except to the extent (and only to the extent) that the defense of such Proceeding is actually and materially prejudiced by reason of such failure, and will not relieve Seller from any other obligation that they may have to a Purchaser Indemnified Party other than under this Article VII. For purposes of this Article VII, any references to the Purchaser Indemnified Party shall, if the context so applies or if Purchaser so elects, be deemed to refer to Parent on behalf of the applicable Purchaser Indemnified Party. For purposes of this Article VII, any references to Seller (except provisions relating to an obligation to make payment) shall be deemed to refer to Seller on behalf of the applicable Seller Indemnifying Party.

(b) Seller shall be entitled to participate in the defense of such Third Party Claim at Seller's expense (which expenses shall not be applied against any indemnity limitation herein). Seller at its option shall be entitled to assume the defense thereof (subject to the limitations set forth below) by (i) delivering written notice to the Purchaser Indemnified Party of their election to assume the defense of such Third Party Claim within 15 days of receipt of notice from the Purchaser Indemnified Party, (ii) appointing a nationally recognized and reputable counsel reasonably acceptable to the Purchaser Indemnified Party to be the lead counsel in connection with such defense and (iii) entering into a written agreement with the Purchaser Indemnified Party that Seller is unconditionally obligated to pay and satisfy any Losses which may arise with respect to such Third Party Claim and provides evidence of their ability to satisfy such obligation, in each case, in form and substance reasonably satisfactory to the Purchaser Indemnified Party. If Seller does not expressly elect to assume the defense of such Third Party Claim within the time period and otherwise in accordance with the preceding sentence, the Purchaser Indemnified Party shall have the sole right to assume the defense of and to settle such Third Party Claim; *provided*, that the Purchaser Indemnified Party shall not agree to any settlement involving monetary payment by a Seller Indemnifying Party without the written consent of the Seller (which consent shall not be unreasonably withheld, conditioned or delayed); *provided*, that for clarity, that no such approval of Seller shall be required for any settlement that does not involve a monetary payment by a Seller Indemnifying Party and the party bringing the Third Party Claim provides a release to the Seller Indemnifying Parties for such Third Party Claim.

(c) If Seller has assumed the defense of a Third Party Claim in accordance with the terms hereof, the Purchaser Indemnified Party shall be entitled to participate in the defense of such claim and to employ counsel of its choice for such purpose, and the fees and expenses of such separate counsel shall be borne by the Purchaser Indemnified Party other than any fees and expenses of such separate counsel (i) that are incurred prior to the date Seller assumes control of such defense, (ii) if the Purchaser Indemnified Party reasonably shall have concluded (upon advice of its counsel) that there may be one or more legal defenses available to such Purchaser Indemnified Party that are not available to Seller, or (iii) if Seller may have different, conflicting, or adverse legal positions or interests from the Purchaser Indemnified Party with respect to such Third Party Claim.

(d) Notwithstanding anything to the contrary contained herein, Seller shall not be entitled to control the defense of a Third Party Claim (and the Purchaser Indemnified Party shall be entitled to maintain or assume control of the defense of such Third Party Claim, at Seller's sole expense) if (i) the Third Party Claim relates to or involves any criminal or quasi criminal Proceeding, (ii) the Third Party Claim could reasonably be expected to materially and adversely affect the Purchaser Indemnified Party (as determined by the Purchaser Indemnified Party in good faith) other than as solely a result of money damages, (iii) the Third Party Claim seeks an injunction or other equitable relief against the Purchaser Indemnified Party, (iv) the Third Party Claim involves Taxes (which shall be governed exclusively by Section 5.1(d)), (v) there exists or would, or could reasonably be expected to, exist a conflict of interest that would make it inappropriate in the judgment of the Purchaser Indemnified Party for the same counsel to represent both the Purchaser Indemnified Party and Seller, (vi) the Purchaser Indemnified Party elects to pursue one or more defenses or counterclaims available to it that are inconsistent with one or more of those that are being pursued by Seller in respect of such Third Party Claim or any litigation relating thereto, (vii) the Third Party Claim involves a customer or supplier of the Business, Acquisition Sub or any other Purchaser Indemnified Party, (viii) the Third Party Claim relates to any Intellectual Property, or (ix) Seller fails to vigorously defend the Third Party Claim.

(e) If Seller shall control the defense of any Third Party Claim, Seller shall obtain the prior written consent of the Purchaser Indemnified Party before entering into any settlement of, consenting to the entry of any judgment with respect to or ceasing to defend such Third Party Claim if (i) pursuant to or as a result of such settlement, consent or cessation, injunctive or other equitable relief will be imposed against the Purchaser Indemnified Party, or a finding or admission of any violation of Law would be made by any Purchaser Indemnified Party, or such settlement, consent or cessation could otherwise reasonably be expected to interfere with or adversely affect the business, operations or assets of the Purchaser Indemnified Party, or (ii) such settlement or judgment does not expressly and unconditionally release the Purchaser Indemnified Party from all Liabilities and obligations with respect to such Third Party Claim.

(f) The indemnification required hereunder in respect of a Third Party Claim for which Seller has assumed the defense in accordance with Section 7.3(b) shall be made by prompt payment by Seller of the amount of actual Losses in connection therewith, as and when bills are received by Seller or within 10 days following Seller's receipt of notice that Losses have been incurred.

(g) Notwithstanding the provisions of Section 8.10, Seller hereby consents to the nonexclusive jurisdiction of any court in which a Proceeding in respect of a Third Party Claim is brought against any Purchaser Indemnified Party for purposes of any claim that a Purchaser Indemnified Party may have under this Agreement with respect to such Proceeding or the matters alleged therein and agrees that process may be served on Seller with respect to such claim anywhere.

(h) Seller shall not be entitled to require that any Proceeding be made or brought against any other Person before a Proceeding is brought or claim is made against it hereunder by the Purchaser Indemnified Party.

(i) If any Purchaser Indemnified Party has a claim against Seller hereunder that does not involve a Third Party Claim being asserted against or sought to be collected from such Purchaser Indemnified Party, the Purchaser Indemnified Party shall deliver notice of such claim with reasonable promptness to Seller, *provided* that, such notice shall, if applicable, state whether a claim was made for recovery under the R&W Insurance Policy and the amount, if any, so recovered, *provided*, *further*, that the failure to so notify Seller shall not relieve Seller of its obligations under this Article VII except to the extent (and only to the extent) that Seller is actually and materially prejudiced by reason of such failure, and will not relieve Seller from any other obligation that they may have to a Purchaser Indemnified Party other than under this Article VII. If Seller does not notify the Purchaser Indemnified Party within 10 days following its receipt of such notice that Seller disputes its Liability to the Purchaser Indemnified Party hereunder, such claim specified by the Purchaser Indemnified Party in such notice shall be conclusively deemed a Liability of Seller hereunder and Seller shall pay the amount of such Liability to the Purchaser Indemnified Party on demand.

(j) If Seller agrees that it has an indemnification obligation under this Article VII but asserts that it is obligated to pay a lesser amount than that claimed by the Purchaser Indemnified Party, Seller shall pay such lesser amount promptly to the Purchaser Indemnified Party, without prejudice to or waiver of the Purchaser Indemnified Party's claim for the difference.

Section 7.4 Certain Limitations.

(a) Caps on Losses of the Purchaser Indemnified Parties. The aggregate amount required to be paid by Seller under Section 7.2(a) shall not exceed the Purchase Price.

(b) Exceptions to Cap. Notwithstanding anything to the contrary contained herein, the limitations set forth in Section 7.4(a) shall not apply to Losses by reason of, resulting from or arising out of any claims of intentional fraud by or on behalf of Seller or any Key Owner or in which Seller or any Key Owner participated (including failure to act).

(c) With respect to a claim from and against any and all Losses arising out of or resulting from any inaccuracy in or breach of any of the representations or warranties of Seller or Key Owners contained in this Agreement or any certificate delivered pursuant to this Agreement, other than Fundamental Representations, Losses recoverable by a Purchaser Indemnified Party with respect thereto shall be limited to amounts recoverable under the R&W Insurance Policy, and none of Seller, Key Owners, or their respective Affiliates shall have any liability to Seller or owe any indemnification obligation to any Purchaser Indemnified Party therefor.

(d) Any payments by Seller or any Key Owner in respect of any Loss will be limited to the amount of such Loss that remains after deducting therefrom any third party insurance proceeds (including proceeds paid out under the R&W Insurance Policy, but net of any Taxes imposed as a result of the receipt of such proceeds), indemnification payments (other than from Seller) and other third party recoveries actually received by the Purchaser Indemnified Party in respect of any such claim, less any related costs and expenses. For the avoidance of doubt, any amount of Loss arising from any claim for indemnification under Section 7.2(a) that is recoverable under the R&W Insurance Policy shall be recovered first from the R&W Insurance Policy.

(e) Each Key Owner's aggregate Liability for indemnification, compensation and reimbursement shall not exceed such Key Owner's pro rata portion of such Losses. Notwithstanding the foregoing and subject to Section 7.4(b), no Key Owner shall be liable for any indemnification, compensation or reimbursement of any amount in excess of such Key Owner's pro rata portion of the Purchase Price. For the purposes of this Section 7.4(e), a Key Owner's "pro rata portion" means that percentage set forth next to such Key Owner's name on Exhibit J attached hereto.

Section 7.5 Materiality Qualifiers. Notwithstanding anything to the contrary contained herein, for purposes of determining (a) whether a breach of a representation or warranty exists for purposes of this Agreement or any certificate delivered pursuant to this Agreement and (b) the amount of Losses arising from such a breach for which the Purchaser Indemnified Parties are entitled to indemnification under this Agreement, each such representation and warranty shall be read without giving effect to any qualification that is based on materiality, including the words "material," "material adverse effect," "in any material respect" and other uses of the word "material" or words of similar meaning (and shall be treated as if such words were deleted from such representation or warranty).

Section 7.6 Indemnification as Sole Remedy. Following the Closing, except as set forth in Section 5.1 (Agreements Regarding Tax Matters), Section 5.16 (Registration and Certain Other Rights) and Section 8.12 (Specific Performance), the indemnification provided for in this Article VII and the right to recover under the R&W Insurance Policy shall be the sole and exclusive remedy and recourse for any breach of this Agreement. Notwithstanding the foregoing or anything else in this Agreement to the contrary, (a) in the case of fraud, the Purchaser Indemnified Parties, as applicable, shall have all remedies available under this Agreement or otherwise at Law without giving effect to any of the limitations or waivers contained herein, and (b) nothing herein shall limit any Party's right to seek and obtain equitable remedies with respect to any covenant or agreement contained in any Transaction Document.

Section 7.7 Investigation. Notwithstanding anything to the contrary contained herein, if the Transactions are consummated, the Purchaser Indemnified Parties expressly reserve the right to seek indemnity or other remedy for any Losses arising out of or relating to any breach of any representation, warranty, covenant or agreement contained herein, notwithstanding (a) any investigation by, disclosure to or knowledge of Purchaser or any of its Affiliates or the Representatives of Purchaser or any of its Affiliates in respect of any fact or circumstances that reveals the occurrence of any such breach, whether before or after the execution and delivery hereof or (b) Parent's waiver of any condition to the Closing or participation in the Closing.

Section 7.8 Satisfaction of Indemnification Claims. The Purchaser Indemnified Parties shall be entitled to seek recovery for satisfaction of claims for indemnification (including claims in respect of Fundamental Representations) directly from Seller or any Key Owner; *provided*, *however*, that to the extent applicable to the particular claim for indemnification under Section 7.2(a), the Purchaser Indemnified Parties shall first seek recovery under the R&W Insurance Policy. If any amount owed by Seller or any Key Owner under this Article VII is not paid within 10 days of Seller and the Purchaser Indemnified Parties agreeing such amount is due or upon a final adjudication determined by a court of competent jurisdiction that such amount is due (either, a "**Final Determination**"), Seller or the applicable Key Owner(s) shall reimburse the Purchaser Indemnified Party for any and all reasonable costs or expenses of any nature or kind whatsoever (including reasonable legal fees) incurred in seeking to collect such amount under this Article VII, and no limitation in this Article VII shall apply to any such interest or reimbursement. If any amount owed under this Article VII is not paid within 30 days of a Final Determination, Purchaser may, in its sole discretion, in addition to all other remedies it may have, recover some or all of such amount by setting off such amount against any amounts then due and payable by Purchaser or any of its Affiliates to Seller or any Key Owner or any their Affiliates under the Transaction Documents or any other agreement with Seller or any Key Owner. In each case, the exercise of such right to set off shall not constitute a breach of any Purchaser Indemnified Party's obligations under the Transaction Documents or any other agreement with Seller or any Key Owner, and the exercise or failure to exercise such right to set off shall not constitute an election of remedies or limit any Purchaser Indemnified Party in any manner in the enforcement of any other remedies that may be available to such Purchaser Indemnified Party. Seller and each Key Owner hereby irrevocably constitutes and appoints Purchaser as its true and lawful attorney-in-fact and agent with full power of substitution to do any and all things and execute any and all documents which may be necessary to effectuate any set off in accordance with this Section 7.8. The foregoing grant of authority is a special power of attorney coupled with an interest and is irrevocable.

Section 7.9 Waiver of Contribution. Seller and each Key Owner hereby irrevocably waive and release any right of contribution, subrogation or any similar right against any Purchaser Indemnified Party in respect of matters that are or may become the subject of claims for indemnification hereunder and any indemnification payments that Seller and any Key Owner may, at any time, be required to make to any Purchaser Indemnified Party pursuant to this Agreement.

Section 7.10 Tax Treatment of Payments. All indemnification payments made pursuant to this Agreement shall be treated by Purchaser and Seller, to the extent permitted by Law, as an adjustment to the Purchase Price for income Tax purposes.

ARTICLE VIII
MISCELLANEOUS

Section 8.1 Notices. All notices and other communications made pursuant to or under this Agreement shall be in writing and shall be deemed to have been duly given or made (a) when personally delivered, (b) as of the date transmitted when transmitted by electronic mail, (c) one Business Day after deposit with a nationally recognized overnight courier service, or (d) three Business Days after the mailing if sent by registered or certified mail, postage prepaid, return receipt requested. All notices and other communications under this Agreement shall be delivered to the addresses set forth below, or such other address as such Party may have given to the other Parties by notice pursuant to this Section 8.1 (or in the case of counsel, to such other readily ascertainable business address as such counsel may hereinafter maintain):

If to Seller or any Key Owner:	Squatty Potty, LLC Attention: Bernie Kropfelder, c/o Jones, Waldo, Holbrook & McDonough, PC at address set forth below
with a copy to (which shall not constitute notice):	Jones, Waldo, Holbrook & McDonough, PC 170 S. Main St., Ste. 1500 Salt Lake City, UT 84101 E-Mail: [***] Attention: Daniel Daines
If to Purchaser:	Aterian, Inc. 37 East 18th St., 7th Floor New York, NY 10003 E-Mail: [***] Attention: Christopher Porcelli, Associate General Counsel
with a copy to (which shall not constitute notice):	Paul Hastings LLP 1117 S California Ave, Palo Alto, CA 94304 E-Mail: [***]; [***] Attention: Jeff Hartlin; Jason Rabbitt-Tomita

Section 8.2 Expenses. Except as otherwise provided herein, all fees and expenses incurred in connection with or related to the Transaction Documents and the Transactions shall be paid by the Party incurring such fees or expenses, whether or not such transactions are consummated.

Section 8.3 Entire Agreement. All references in this Agreement or the Ancillary Agreements shall include all Exhibits and Schedules hereto. This Agreement and the Ancillary Agreements constitute the entire agreement of the Parties relating to the subject matter hereof and thereof and supersede all prior agreements or understandings between the Parties with respect to such subject matter.

Section 8.4 No Third-Party Beneficiaries. This Agreement shall inure exclusively to the benefit of and be binding upon the Parties, any Person entitled to indemnification under Article VII with respect to the provisions therein, and their respective successors, permitted assigns, executors and legal representatives. Nothing in this Agreement, express or implied, is intended to confer on any Person (other than the Parties or their respective successors and permitted assigns, any Person entitled to indemnification under Article VII with respect to the provisions therein) any rights, remedies, obligations or liabilities under or by reason of this Agreement.

Section 8.5 Assignments. This Agreement will be binding upon, inure to the benefit of and be enforceable by the Parties and their respective successors and permitted assigns, but will not be assignable or delegable by any Party, by operation of Law or otherwise, without the prior written consent of the other Parties; *provided*, *however*, that nothing in this Agreement shall or is intended to limit the ability of Purchaser to assign its rights or delegate its responsibilities, liabilities and obligations under this Agreement, in whole or in part, without the consent of Seller (a) to any Affiliate of Purchaser, (b) in connection with a change of control of Acquisition Sub or Parent or (c) in the event of a sale of all or substantially all of the assets of Acquisition Sub or Parent so long as, in each case, notwithstanding such assignment Parent remains liable to Seller and Key Owners for the full and complete performance of all such responsibilities, liabilities and obligations under this Agreement. Any attempted assignment in violation of this Section 8.5 shall be void *ab initio*.

Section 8.6 Amendment; Waiver. This Agreement may be amended, modified or waived only by the written agreement of the Parties. No failure or delay of any Party to exercise any right or remedy given to such Party under this Agreement or otherwise available to such Party or to insist upon strict compliance by any other Party with its obligations hereunder and no single or partial exercise of any such right or power shall constitute a waiver of any Party's right to demand exact compliance with the terms hereof. Any written waiver shall be limited to those items specifically waived therein and shall not be deemed to waive any future breaches or violations or other non-specified breaches or violations unless, and to the extent, expressly set forth therein.

Section 8.7 Agreement Controls. In the event that a provision of any Ancillary Agreement is inconsistent with, conflicts with or contradicts any term of this Agreement, the terms of this Agreement shall prevail.

Section 8.8 Severability. If any term or provision of this Agreement is held invalid, illegal or unenforceable in any respect under any applicable Law, the validity, legality and enforceability of all other terms and provisions of this Agreement will not in any way be affected or impaired. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated by this Agreement be consummated as originally contemplated to the greatest extent possible.

Section 8.9 Governing Law. This Agreement shall be construed and enforced in accordance with, and all questions concerning the construction, validity, interpretation, inducement to enter or performance of this Agreement (whether related to breach of contract, tortious conduct or otherwise and whether now existing or hereafter arising) shall be governed by, the internal Laws of the State of Delaware, without giving effect to any Law that would cause the Laws of any jurisdiction other than the State of Delaware to be applied. Purchaser shall cause the Purchaser Indemnified Parties, to comply with the foregoing as though such Purchaser Indemnified Parties were a Party to this Agreement.

Section 8.10 Consent to Jurisdiction; Service of Process; Waiver of Jury Trial.

(a) Each Party agrees that any Proceeding arising out of or relating to this Agreement or any transaction contemplated hereby shall be brought exclusively in the United States District Court for the District of Delaware or in the Court of Chancery of the State of Delaware (or, if such court lacks subject matter jurisdiction, in the Superior Court of the State of Delaware) and each of the Parties hereby submits to the exclusive jurisdiction of such courts for itself and with respect to its property, generally and unconditionally, for the purpose of any such Proceeding. A final judgment in any such Proceeding may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by Law. Each Party agrees not to commence any Proceeding arising

out of or relating to this Agreement or the transactions contemplated hereby except in the courts described above (other than actions in any court of competent jurisdiction to enforce any judgment, decree or award rendered by any such court in Delaware as described above), irrevocably and unconditionally waives any objection to the laying of venue of any Proceeding arising out of or relating to this Agreement or the transactions contemplated hereby in any such court, and hereby irrevocably and unconditionally waives and agrees not to plead or claim in any such court that any such Proceeding brought in any such court has been brought in an inconvenient forum or does not have jurisdiction over any Party. Each Party agrees that service of any process, summons, notice or document by U.S. registered mail to such Party's respective address set forth herein shall be effective service of process for any such Proceeding.

(b) EACH PARTY HEREBY IRREVOCABLY WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY PROCEEDING OR COUNTERCLAIM (WHETHER BASED ON CONTRACT, TORT, STATUTE OR OTHERWISE) ARISING OUT OF OR RELATING TO THIS AGREEMENT, THE TRANSACTIONS CONTEMPLATED HEREBY OR THE ACTIONS OF SUCH PARTY IN THE NEGOTIATION, ADMINISTRATION, PERFORMANCE AND ENFORCEMENT HEREOF. EACH PARTY FURTHER WAIVES ANY RIGHT TO SEEK TO CONSOLIDATE ANY PROCEEDING IN WHICH A JURY TRIAL HAS BEEN WAIVED WITH ANY OTHER PROCEEDING IN WHICH A JURY TRIAL CANNOT OR HAS NOT BEEN WAIVED. EACH PARTY CERTIFIES AND ACKNOWLEDGES THAT (I) NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED OR WARRANTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER, (II) EACH PARTY UNDERSTANDS AND HAS CONSIDERED THE IMPLICATIONS OF THIS WAIVER, (III) EACH PARTY MAKES THIS WAIVER VOLUNTARILY AND (IV) EACH PARTY HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 8.10.

Section 8.11 Admissibility into Evidence. All offers of compromise or settlement among the Parties or their officers, directors, managers, employees, attorneys, accountants, consultants, financial advisors or other agents in connection with the attempted resolution of any dispute under this Agreement shall be deemed to have been delivered in furtherance of a settlement and shall be exempt from discovery and production and shall not be admissible in evidence (whether as an admission or otherwise) in any Proceeding for the resolution of such dispute.

Section 8.12 Specific Performance. The Parties agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. Accordingly, each of the Parties shall be entitled to enforce specifically the provisions of this Agreement, including obtaining an injunction or injunctions to prevent breaches or threatened breaches of this Agreement, in any court designated to resolve disputes concerning this Agreement (or, if such court lacks subject matter jurisdiction, in any appropriate state or federal court), this being in addition to any other remedy to which such Party is entitled at Law or in equity. Each Party further agrees not to assert and waives (a) any defense in any action for specific performance that a remedy at Law would be adequate and (b) any requirement under any Law to post security or provide indemnity as a prerequisite to obtaining equitable relief.

Section 8.13 Other Remedies. Except to the extent set forth otherwise in this Agreement, all remedies under this Agreement expressly conferred upon a Party will be deemed cumulative with and not exclusive of any other remedy conferred hereby, or at Law or in equity upon such Party, and the exercise by a Party of any one remedy will not preclude the exercise of any other remedy.

Section 8.14 Rules of Construction. The following rules of construction shall govern the interpretation of this Agreement: (a) all references to Articles, Sections, Exhibits or Schedules are to Articles, Sections, Exhibits or Schedules in this Agreement; (b) each accounting term not otherwise defined in this

Agreement has the meaning assigned to it in accordance with GAAP; (c) unless the context otherwise requires, words in the singular or plural include the singular and plural, and pronouns stated in either the masculine, the feminine or neuter gender shall include the masculine, feminine and neuter; (d) whenever the words "include," "includes" or "including" are used in this Agreement they shall be deemed to be followed by the words "but not limited to;" (e) the word "extent" in the phrase "to the extent" shall mean the degree to which a subject or other thing extends, and such phrase shall not simply mean "if;" (f) references to any statute, rule, regulation or form (including in the definition thereof) shall be deemed to include references to such statute, rule, regulation or form as amended, modified, supplemented or replaced from time to time (and, in the case of any statute, include any rules and regulations promulgated under such statute), and all references to any section of any statute, rule, regulation or form include any successor to such section; (g) when calculating the period of time before which, within which or following which any act is to be done or step taken pursuant to this Agreement, the date that is referenced in beginning the calculation of such period will be excluded (for example, if an action is to be taken within two days after a triggering event and such event occurs on a Tuesday, then the action must be taken on or prior to Thursday); if the last day of such period is a non-Business Day, the period in question will end on the next succeeding Business Day; (h) the subject headings of Articles and Sections of this Agreement are included for purposes of convenience of reference only and shall not affect the construction or interpretation of any of its provisions; (i) (i) the terms "hereof," "herein," "hereby," "hereto," and derivative or similar words refer to this entire Agreement, including the Schedules and Exhibits hereto; (ii) the term "any" means "any and all", and (iii) the term "or" shall not be exclusive and shall mean "and/or;" (j) (i) references to "days" means calendar days unless Business Days are expressly specified and (ii) references to "$" mean U.S. dollars; (k) the Parties intend that each representation, warranty, covenant and agreement contained herein shall have independent significance, and if any Party has breached any representation, warranty, covenant or agreement contained herein in any respect, the fact that there exists another representation, warranty, covenant or agreement relating to the same or similar subject matter that the Party has not breached shall not detract from or mitigate the fact that the Party is in breach of the first representation, warranty, covenant or agreement; (l) all uses of "written" contained in Article III and Article IV shall be deemed to include information transmitted via e-mail, facsimile or other electronic transmission; (m) for purposes of Article III, information shall be deemed to have been "made available" to Purchaser only if such information was posted to the electronic data room hosted by ShareVault maintained by Seller under the project name "Project Step Up" at https://www.sharevault.net/panajax/index.jsp?svid=7333&svname=Project+Step+Up (the "**Data Room**") in a manner accessible and reviewable by Purchaser at least three Business Days prior to the Closing Date (and not removed therefrom during such three Business Day period); (n) any drafts of any Transaction Documents circulated by or among the Parties prior to the final fully executed drafts shall not be used for purposes of interpreting any provision of any Transaction Documents, and each of the Parties agrees that no Party or Purchaser Indemnified Party shall make any claim, assert any defense or otherwise take any position inconsistent with the foregoing in connection with any dispute or Proceeding among any of the foregoing or for any other purpose; and (o) the Parties have participated jointly in the negotiation and drafting of the Transaction Documents; in the event an ambiguity or question of intent or interpretation arises, the Transaction Documents shall be construed as if drafted jointly by the Parties, and no presumption or burden of proof shall arise favoring or disfavoring any Party by virtue of the authorship of any of the provisions of any Transaction Document and the language used in it will be deemed to be the language chosen by the Parties to express their mutual intent.

Section 8.15 Counterparts; Deliveries. This Agreement may be executed in multiple counterparts, each of which shall be deemed to be an original but all of which shall constitute one and the same agreement. This Agreement may be executed by facsimile or electronic (.pdf) signature and a facsimile or electronic (.pdf) signature shall constitute an original for all purposes.

Section 8.16 Privilege. Seller has been represented by Jones, Waldo, Holbrook & McDonough, PC (the "**Firm**") in the preparation, negotiation, and execution of this Agreement and the Transactions. Without the prior written consent of the Seller (such consent not to be unreasonably withheld, conditioned or delayed), in a dispute between a Purchaser Indemnified Party, on the one hand, and any Seller Indemnifying Party, on the other

hand (a "**Dispute**"), the Purchaser Indemnified Parties shall not use the pre-closing attorney-client privileged communications between the Firm, on the one hand, and Seller and its Affiliates, the Key Owners, or their respective Representatives (the "**Seller Group**"), on the other hand, or pre-closing legally privileged work product delivered by the Firm to any member of the Seller Group, in each case, in connection with the preparation, negotiation, and execution of this Agreement and the ancillary agreements hereto (the "**Protected Communications**"); *provided*, *however*, that such restrictions shall not apply to, and Seller (on behalf of the Seller Group) hereby waives the privilege over, Protected Communications in connection with a Dispute concerning (a) any breach or inaccuracy in a representation or warranty hereunder that is qualified by knowledge of the Seller or any other member of the Seller Group, (b) any fraud or intentional misrepresentation made by Seller or any other member of the Seller Group, or (c) any intentional breach by Seller or any other member of the Seller Group.

[*The remainder of this page is intentionally left blank.*]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.

PARENT:

ATERIAN, INC.

/s/ Yaniv Sarig
Title: President and Chief Executive Officer
Name: Yaniv Sarig

ACQUISITION SUB:

TRUWEO, LLC

/s/ Yaniv Sarig
Title: President and Chief Executive Officer
Name: Yaniv Sarig

SELLER:

SQUATTY POTTY, LLC
a Delaware limited liability company

/s/ Bernie Kropfelder
Name: Bernie Kropfelder
Name: Chief Executive Officer

KEY OWNER:

Edwards SP Holdings, LLC

/s/ William T. Edwards
Name: William T. Edwards
Title: Manager

KEY OWNER:

SLEKT Investments, LLC

/s/ Monte Holm
Name: Monte Holm
Title: Manager

KEY OWNER:

Sachs Capital Fund II, LLC

By: Sachs Capital Partners, LLC
Its: Managing Member

/s/ Andrew Sachs
Name: Andrew Sachs
Title: Managing Member

KEY OWNER:

Sachs Capital-Squatty, LLC

By: Sachs Capital Partners, LLC
Its: Managing Member

/s/ Andrew Sachs
Name: Andrew Sachs
Title: Managing Member

KEY OWNER:

Team Lindsey, LLC

/s/ Jason Lindsey
Name: Jason Lindsey
Title: Manager

KEY OWNER:

Bevel Acquisition II, LLC

/s/ Bernie Kropfelder
Name: Bernie Kropfelder
Title: Managing Member

Exhibit 2.2

STOCK PURCHASE AGREEMENT

among

ATERIAN, INC.

and

TRUWEO, LLC

as Purchaser

and

PHOTO PAPER DIRECT LTD

as Company

and

JOSEF EITAN

As Seller

and

RAN NIR

As Beneficial Owner

Dated as of May 5, 2021

SCHEDULES

Schedule 1.01-AAA	Acquired Amazon Accounts
Schedule 1.01-MDE	Measurement Date EBITDA
Schedule 1.01-TAP	Transaction Accounting Principles
Schedule 2.06(a)	Transaction Expenses
Schedule 2.06-PW	Payment Waterfall
Schedule 2.07	Sample Closing Statement
Schedule 6.05(a)	Purchaser Products

DISCLOSURE SCHEDULES

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Schedule 3.02	Capitalization
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Schedule 3.09(c)	Location of Tangible Personal Property
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Schedule 3.11	Material Contracts
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Schedule 3.15	Suppliers
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EXHIBITS

Exhibit A	Inventory Statement
Exhibit B	Shareholder Agreement
Exhibit C	Consulting Agreement
Exhibit D	Stock Transfer Form
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STOCK PURCHASE AGREEMENT

This STOCK PURCHASE AGREEMENT (as it may be amended, restated, supplemented or otherwise modified in accordance with Section 9.06, this "Agreement"), dated as of May 5, 2021, is among (i) Aterian, Inc., a Delaware corporation ("Parent") and Truweo, LLC, a Delaware limited liability company and wholly owned subsidiary of Parent ("Acquisition Sub," and together with Parent, "Purchaser"), (ii) Photo Paper Direct Ltd, a private limited company organized under the laws of England and Wales with registered office at Unit 8 Shakespeare Industrial Estate, Shakespeare Street, Watford, England, WD24 5RR, Company number: 04581446 ("Company"), (iii) Josef Eitan ("Owner") and (iv) Ran Nir ("Beneficial Owner"). Except as otherwise expressly specified, "Seller" refers to each of Owner and Beneficial Owner, separately and collectively.

RECITALS

WHEREAS, Company has 100 ordinary shares, nominal value £1.00 per share, issued and outstanding, which represents all of Company's outstanding share capital (the "Shares");

WHEREAS, Owner is the sole registered member of all the Shares;

WHEREAS, Beneficial Owner is the beneficial owner of twenty five percent (25%) of the Shares, which beneficial ownership has been documented in that certain Beneficial Shareholder Agreement, dated as of March 12, 2021, by and between Owner and Beneficial Owner (as amended April 27, 2021, the "Beneficial Ownership Agreement");

WHEREAS, Parent and Company have entered into a binding term sheet, dated as of February 25, 2021 (the "Term Sheet"), providing for Acquisition Sub to acquires the Shares from Seller, subject to the terms and conditions of the Term Sheet (the "Share Purchase"); and

WHEREAS, the Term Sheet provides that a condition to closing of the Share Purchase is the execution of a definitive agreement acceptable to Purchaser, on the one hand, and Company and Seller, on the other hand.

AGREEMENT

In consideration of the foregoing and the mutual representations, warranties, covenants and agreements contained herein, as well as other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the Parties agree as follows:

ARTICLE I

DEFINITIONS

Section 1.01 Certain Defined Terms. For purposes of this Agreement:

"15-Day VWAP" means, as of any date, the volume weighted average closing price of shares of Parent Common Stock traded on The Nasdaq Stock Market, LLC, or if the Parent Common Stock is not listed on such exchange as of such date, any other national securities exchange on which shares of Parent Common Stock are then traded and that is selected by Purchaser, for the fifteen (15) trading days ending on the first trading day immediately preceding such date.

"2021 EBITDA" means Company's EBITDA for the twelve (12) months ending December 31, 2021, calculated in a manner consistent with the Measurement Date EBITDA.

"3PL" means third party logistics provider, including, as the context may require, Company and its Affiliates.

"Acquired Amazon Accounts" means those certain Amazon accounts set forth on Schedule 1.01-AAA and doing business under the names listed adjacent to such accounts, and the related Amazon Business Services Agreements.

"Adjustment Amount" means (a) the Net Liability Adjustment, *minus* (b) the Overdue Liabilities, if any.

"Affiliate" means, with respect to any Person, any other Person that directly or indirectly controls, is controlled by or is under common control with such Person. As used herein, the term "control" means: (a) the power to vote at least ten percent (10%) of the voting power of a Person; or (b) the possession, directly or indirectly, of any other power to direct or cause the direction of the management and policies of such a Person, whether through ownership of voting securities, by contract or otherwise. For greater certainty and without limiting the foregoing, Seller shall be deemed an Affiliate of Company before and at the Closing but shall not be deemed an Affiliate of Company after the Closing.

"Affiliated Group" means an affiliated group as defined in Section 1504 of the Code (or analogous combined, consolidated or unitary group defined under state, local or foreign income Tax Law).

"Agreement" has the meaning set forth in the Preamble.

"Amazon" means Amazon.com, Inc., a Delaware corporation, and its worldwide Affiliates.

"Amazon Business Services Agreements" means the terms of service agreements relating to the Acquired Amazon Accounts.

"Ancillary Agreements" means (a) the Shareholder Agreement, (b) the Consulting Agreement, and (c) the Share Transfer Form.

"ASIN" means Amazon Standard Identification Number, which is an alphanumeric unique identifier assigned by Amazon.com and its partners for product identification within the Amazon organization.

"Balance Sheet Date" has the meaning set forth in Section 3.05(a).

"Bankruptcy and Equity Exception" has the meaning set forth in Section 3.01(d).

"Basket Amount" has the meaning set forth in Section 8.04(a).

"Business Day" means a day other than Saturday, Sunday or any other day on which banks in (a) New York, United States, or (b) Israel are required or authorized to be closed.

"Cash Purchase Price" has the meaning set forth in Section 2.02.

"Closing" has the meaning set forth in Section 2.03.

"Closing Date" has the meaning set forth in Section 2.03.

"Closing Inventory" means the sum of (a) the amount of Inventory for each separately identifiable SKU, as of the Measurement Time, *multiplied by* (b) the Cost of each such item of Inventory, in each case as listed on the Inventory Statement; provided, that any and all Excluded Inventory will be valued at zero (£0) for purposes of calculating the Closing Inventory (and any other amount or value that incorporates the Closing Inventory as a component or precursor thereof).

"Closing Payment" has the meaning set forth in Section 2.06(a).

"Closing Purchase Price" means (a) the Cash Purchase Price, *plus* (b) the Estimated Adjustment Amount.

"Closing Shares" means 704,548 shares of Parent Common Stock.

"Closing Statement" has the meaning set forth in Section 2.07(a).

"Code" means the U.S. Internal Revenue Code of 1986, as amended.

"Companies Act" means the United Kingdom Companies Act 2006, as amended.

"Company" has the meaning set forth in the Preamble.

"Company Certificate" means a certificate in form and substance reasonably satisfactory to Purchaser, dated as of the Closing Date and duly executed and delivered by Company, certifying that attached thereto are (a) true, complete and accurate copies of the organizational documents of Company (and the certificate of incorporation or comparable organizational document shall also be certified as of a recent date by the Companies House) and (b) a true, complete and accurate copy of resolutions duly adopted by the board of directors (or comparable governing body) of Company adopting and approving the Transaction Documents to which Company is a party.

"Company's and Seller's Closing Deliverables" has the meaning set forth in Section 2.04.

"Company Intellectual Property" has the meaning set forth in Section 3.10(b).

"Confidential Information" means (a) any confidential, non-public and/or proprietary information with respect to Company, including any related operations, clients, customers, prospects, personnel, properties, processes and products, financial, technical, commercial and other information (regardless of the form or format of the information or the manner or media in

or through which it is provided to or otherwise obtained by Company or Seller or their respective Representatives), any confidentiality or non-disclosure Contracts that Company or Seller or their respective Representatives, have executed with other potential buyers of Company, and the existence and terms of any Transaction Document and (b) any analyses, compilations, studies, notes, copies, memoranda or other documents with respect to Company prepared by or for Company or Seller or any of their respective Representatives, to the extent they contain or show such information; provided, that "Confidential Information" shall not include information that was or becomes generally available to the public other than as a result of any direct or indirect act or omission by Company or Seller or any of their respective Representatives.

"Consulting Agreement" has the meaning set forth in Section 2.04(e).

"Contracts" means all contracts, agreements, licenses, indentures, notes, bonds, instruments, leases, mortgages, sales orders, purchase orders, arrangements, commitments, obligations and other understandings or undertakings of any nature, in any case whether written or oral, as well as any bids or proposals which, if accepted, would result in a binding contract, and all amendments, restatements, supplements or other modifications thereto or waivers thereunder.

"Cost" means all costs incurred by a Party to procure or ship inventory, including manufacturing costs, freight costs, duties, import costs, insurance costs and levies and other similar costs.

"Current Assets" means, as of any time, the sum of the amounts as of such time for the current asset line items and general ledger accounts of Company shown on the Sample Closing Statement, in each case determined in accordance with the Transaction Accounting Principles, but excluding (a) the portion of any prepaid expense of which neither Purchaser nor Company will receive the benefit following the Closing, (b) deferred Tax assets, and (c) receivables from any of Company's Affiliates, directors, employees, officers or stockholders, or any of their respective Affiliates.

"Current Liabilities" means, as of any time, the sum of the amounts as of such time for the current Liability line items and general ledger accounts of Company shown on the Sample Closing Statement, in each case determined in accordance with the Transaction Accounting Principles, but excluding (a) the current portion of any indebtedness of Company, (b) deferred Tax Liabilities, (c) Transaction Expenses other than those included in Schedule 2.06(a), and (d) payables owed to any of Company's Affiliates, directors, employees, officers or stockholders or any of their respective Affiliates.

"Data Breach" means (a) the accidental or unlawful destruction, loss, alteration, unauthorized disclosure of, or access to, Personal Data, in either case, transmitted, stored, or otherwise Processed by Company or a Service Provider on behalf of Company or (b) any breach of Personal Data would otherwise give rise to any obligations on behalf of Company under Privacy Requirements.

"Disclosure Schedules" has the meaning set forth in Article III.

"Dispute Notice" has the meaning set forth in Section 2.07(c).

"Earn-Out Multiplier" means, (a) if 2021 EBITDA is less than the Measurement Date EBITDA, 0, (b) if 2021 EBITDA equals or exceeds the Measurement Date EBITDA and less than one hundred twenty percent (120%) of the Measurement Date EBITDA, 1.50, and (c) if 2021 EBITDA exceeds one hundred twenty percent (120%) of the Measurement Date EBITDA, 2.0.

"Earn-Out Payment" has the meaning set forth in Section 2.08.

"Earn-Out Statement" has the meaning set forth in Section 2.08(a).

"EBITDA" means earnings before interest, taxes, depreciation and amortization, as determined pursuant to the Transaction Accounting Principles.

"E-Commerce Assets" means all website traffic, analytics Software and accounts, graphics, content, databases, forms, internal search engines, advertising on or relating to the websites, data, programming code, user and customer lists, consumer data and all other information and property as it pertains to the websites of Company and/or the operation thereof, including all social media accounts, including Facebook, Twitter, Pinterest, YouTube, Instagram, TikTok, Snapchat, Google Plus, MySpace, comparison shopping accounts, Google AdWords accounts, Google Merchant Center accounts, Webmaster Tools accounts, Google Analytics accounts, Bing AdCenter accounts, and any other similar accounts, services or websites used in connection with any of Company (and all users, fans and/or followers thereof), blogs, email accounts, servers, host accounts, applications, Software and platforms used by Company's websites and/or its blog(s), and any other accounts, tools, extensions, application programming interfaces (APIs), electronic data interchanges (EDIs) or third party relationships or Software used by Company to operate, or that has been collected or used during the operation of, Company's business and operations.

"Estimated Adjustment Amount" has the meaning set forth in Section 2.07(a).

"Estimated Amounts" has the meaning set forth in Section 2.07(a).

"Event" means any event, change, development, effect, condition, circumstance, matter, occurrence or state of facts.

"Exchange Act" has the meaning set forth in Section 5.03.

"Excluded Inventory" means any Closing Inventory that is damaged, broken, defective, spoiled or similarly rendered obsolete such that it is unsellable.

"Excluded Taxes" means without duplication, all: (a) Taxes imposed on or payable by or with respect to Company, or for which it is liable, for any Pre-Closing Period; (b) Taxes imposed on or payable by or with respect to Company, or for which it is liable, for any Straddle Period; (c) Taxes (other than Transfer Taxes) attributable to the sale of the Shares pursuant to this Agreement; and (d) Liabilities of Company to indemnify any other Person in respect of or relating to Taxes of such other Person or to pay an amount pursuant to any Tax sharing, allocation or indemnification agreement to the extent such Liabilities relate to a Pre-Closing Period or such agreement was entered into on or before the Closing Date.

"Export Approvals" has the meaning set forth in Section 3.17.

"Financial Statements" has the meaning set forth in Section 3.05(a).

"Fundamental Representations" means, collectively, the representations and warranties of (a) Company contained in Section 3.01 (*Organization and Qualification; Authorization*), Section 3.02 (*Capitalization*); Section 3.03 (*No Violation*), Section 3.14 (*Taxes*) and Section 3.20 (*No Brokers or Finders*); and (b) Owner and Beneficial Owner contained in Section 4.02 (*Authorization*), Section 4.02 (*No Violation*), Section 4.03 (*Consents and Approvals*), Section 4.04 (*Ownership of Shares*) and Section 4.12 (*Payment Waterfall*).

"GAAP" means U.S. generally accepted accounting principles set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or in such other statements by such other entity as may be approved by a significant segment of the accounting profession that are applicable to the circumstances from time to time.

"General Cap" has the meaning set forth in Section 8.04(b).

"Government Official" means, collectively, any officer or employee of a Governmental Authority, any Person acting for or on behalf of any Governmental Authority, any political party or official thereof and any candidate for political office.

"Governmental Authority" means any court, tribunal, arbitrator, authority, agency, commission, bureau, board, department, official, body or other instrumentality of the United States, any foreign country, or any domestic or foreign state, province, county, city, other political subdivision or any other similar body or organization exercising governmental or quasi-governmental power or authority, including any self-regulatory organization exercising such power or authority.

"Improper Payment Laws" means the United States Foreign Corrupt Practices Act of 1977, any legislation implementing the Organisation for Economic Cooperation and Development Convention on Combating Bribery of Foreign Official in International Business Transactions, the United Kingdom Bribery Act of 2010, and any other applicable Law regarding anti-bribery or illegal payments or gratuities.

"Independent Accountant" means a nationally recognized firm of independent certified public accountants to be mutually agreed on, which shall be one of the big four accounting firms, other than Company's accountant, Seller's accountant and Purchaser's accountant.

"Intellectual Property" means, collectively, in the United States and all countries or jurisdictions foreign thereto, (a) all inventions (whether patentable or unpatentable and whether or not reduced to practice), all improvements thereto, and all Patents, (b) all Trademarks, all goodwill associated therewith, and all applications, registrations, and renewals in connection therewith, (c) all moral rights, copyrights and other rights in any work of authorship, compilation, derivative work or mask work and all applications, registrations, and renewals in connection therewith, (d) all trade secrets, data (including raw data, technical data, clinical trial data, and test results), (e) databases, confidential information, ideas, research and development, know- how, methods,

formulas, compositions, manufacturing and production processes and techniques, regulatory filings, submissions, and correspondence, results, analyses, studies, designs, drawings, specifications, customer and supplier lists, pricing and cost information, and business and marketing plans and proposals, (f) Software, (g) all other proprietary and intellectual property rights, (h) all copies and tangible embodiments of any of the foregoing (in whatever form or medium), (i) the exclusive right to display, perform, reproduce, make, use, sell, distribute, import, export and create derivative works or improvements based on any of the foregoing and (j) all income, royalties, damages and payments related to any of the foregoing (including damages and payments for past, present or future infringements, misappropriations or other conflicts with any intellectual property), and the right to sue and recover for past, present or future infringements, misappropriations or other conflict with any intellectual property.

"Intercompany Accounts" has the meaning set forth in Section 6.10.

"International Trade Laws" means any applicable (a) Sanctions, (b) U.S. export control Laws (including the International Traffic in Arms Regulations (22 CFR §§ 120-130, as amended), the Export Administration Regulations (15 CFR §§ 730-774, as amended) and any regulation, order, or directive promulgated, issued or enforced pursuant to such laws), (c) laws pertaining to imports and customs, including those administered by the Bureau of Customs and Border Protection in the U.S. Department of Homeland Security (and any successor thereof) and any regulation, order, or directive promulgated, issued or enforced pursuant to such laws, (d) the anti-boycott laws administered by the U.S. Department of Commerce and the U.S. Department of the Treasury and (e) export, import and customs Laws of other countries in which Company has conducted and/or currently conduct business.

"Inventory" means any and all raw materials, work-in-process, finished goods, goods in transit, supplies and other inventories to the extent used, or held for use, by Company, including any such raw materials, work-in-process, finished goods, supplies and other inventories with an identifiable SKU.

"Knowledge" means, when referring to the "knowledge" of Company, or any similar phrase or qualification based on knowledge of Company, (a) the actual knowledge of Owner and (b) the knowledge that Owner would have obtained after making due inquiry of Company's books and records and employees with respect to the particular matter in question.

"Law" means the common law of any state or other jurisdiction, or any provision of any foreign, federal, state or local law, statute, code, rule, regulation, Order, certification standard, accreditation standard, Permit, judgment, regulatory code of practice, statutory guidance, injunction, decree or other decision of any court or other tribunal or Governmental Authority.

"Liabilities" means any indebtedness, liabilities, demands, commitments, warranties, product liabilities, or obligations of any nature whatsoever, whether accrued or unaccrued, absolute or contingent, direct or indirect, asserted or unasserted, fixed or unfixed, known or unknown, choate or inchoate, perfected or unperfected, liquidated or unliquidated, secured or unsecured, or otherwise, whether due or to become due, whether arising out of any Contract or tort based on negligence or strict liability and whether or not the same would be required by GAAP to be stated in financial statements or disclosed in the notes thereto, and however arising and including all fees, costs and expenses related thereto.

"Liens" means all liens, security interests, claims, mortgages, deeds of trust, preemptive rights, leases, charges, options, rights of first refusal, easements, proxies, voting trusts or agreements, transfer restrictions, pledges, assessments, covenants, burdens and other encumbrances of every kind, including restrictions on voting or use.

"Losses" means any and all Liabilities, losses, damages, judgments, awards, settlements, royalties, diminution in value, interest, penalties, fines, Taxes, demands, Proceedings, claims, deficiencies, costs and expenses of any kind (in each case, excluding (to the extent not included in a Third Party Claim) punitive, consequential, or indirect losses or damages, lost profits and diminution in value) (including reasonable fees and expenses of attorneys, accountants and other experts paid in connection with the investigation or defense of any of the foregoing or any Proceeding relating to any of the foregoing).

"Material Adverse Effect" means an Event that (a) is materially adverse to the business or condition (financial or otherwise) of Company, taken as a whole; provided, that none of the following shall be deemed to be or be taken into account in determining whether there has been or will be, a Material Adverse Effect: (i) changes or developments in general economic, regulatory or political conditions or in the securities, credit, foreign exchange or financial markets in general; (ii) changes or developments in or affecting the industry in which Company operates, including any adverse weather events or conditions; (iii) the failure of Company to meet projections or forecasts (provided, that the underlying causes of such failure may be considered in determining whether there has occurred a Material Adverse Effect); (iv) any national or international political event or occurrence, including acts of war or terrorism; (v) changes in GAAP or the interpretation thereof; or (vi) the announcement of the execution of this Agreement or the transactions contemplated by this Agreement (including any reduction in sales, any disruption in supplier, distributor, partner or similar relationships, or any other adverse business or market impact caused as a result of the transactions contemplated by this Agreement); provided, further, that, in the case of clauses (i), (ii), (iv) and (v), if such Event disproportionately adversely affects Company as compared to other Persons or businesses that operate in the industry in which Company operates, then the disproportionate aspect of such Event may be taken into account in determining whether a Material Adverse Effect has occurred or will occur, or (b) could reasonably be expected to materially impair, delay or prevent Company or Seller from consummating the transactions contemplated by this Agreement or the other Transaction Documents.

"Measurement Date EBITDA" means Company's EBITDA for the twelve months ended December 31, 2020, as set forth in more detail on Schedule 1.01-MDE.

"Measurement Time" means 11:59 p.m., Pacific Time, on the day immediately preceding the Closing Date.

"Nasdaq" means The Nasdaq Stock Market, LLC.

"Net Liability Adjustment" (which may be a positive or negative number) means (a) the Current Assets as of the Measurement Time, *minus* (b) the Current Liabilities as of the Measurement Time.

"Non-Paying Party" has the meaning set forth in Section 6.01(c).

"Order" means any order, judgment, ruling, injunction, award, stipulation, assessment, decree or writ, whether preliminary or final, of any Governmental Authority.

"Overdue Liabilities" means (a) the aggregate amount of Liabilities of Company that are not Current Liabilities, as of the Measurement Time (and in each case determined in accordance with the Transaction Accounting Principles), that have not been paid when due, excluding (i) deferred Tax Liabilities, (ii) Transaction Expenses and (iii) payables owed to any of Company's Affiliates, directors, employees, officers or stockholders or any of their respective Affiliates, *plus* (b) all interest, fines, late fees, penalties, premiums, costs of collection and similar costs incurred as a result of Company's failure to make all payments when due on (i) Current Liabilities and (ii) the Liabilities described in clause (a).

"Parent" has the meaning set forth in the Preamble.

"Parent Common Stock" shall mean the common stock, par value $0.0001 per share, of Parent.

"Parent Disclosure Schedules" has the meaning set forth in Article V.

"Party" means any party to this Agreement.

"Patents" means all patents and pending applications for patents of the United States and all countries and jurisdictions foreign thereto and all reissues, reexamined patents, divisions, continuations, continuations-in-part, revisions, and extensions thereof.

"Payment Waterfall" has the meaning set forth in Section 2.06(a).

"Paying Party" has the meaning set forth in Section 6.01(c).

"Permits" means permits, licenses, registrations, consents, certificates, grants, waivers, qualifications, approvals and all other authorizations by or of Governmental Authorities.

"Permitted Lien" means (a) statutory Liens for Taxes not yet due and payable, (b) statutory Liens of landlords for amounts not yet due and payable, and (c) Liens of carriers, warehousemen, mechanics and materialmen incurred in the ordinary course of business for amounts not yet due and payable.

"Person" means any individual, sole proprietorship, partnership, limited liability company, joint venture, trust, unincorporated association, corporation, firm or other entity or any Governmental Authority.

"Personal Data" means (a) all data that identifies an individual or, in combination with any other information or data available to Company, is capable of identifying or locating an individual or (b) as the terms "personal data," "personal information," "personally-identifiable information," or similar terms, are otherwise defined under Privacy Laws.

"Post-Closing Statement" has the meaning set forth in Section 2.07(b).

"Pre-Closing Period" means any Tax period (or portion thereof) ending on or before the Closing Date.

"Privacy Laws" means (a) all applicable Laws relating to the Processing of data (including Personal Data), data privacy, or information security, such as the Federal Trade Commission Act, the Telephone Consumer Protection Act, the Health Insurance Portability and Accountability Act, the Health Information Technology for Economic and Clinical Health, the California Consumer Privacy Act of 2018, state privacy laws, state health laws, state data breach laws, and the General Data Protection Regulation 2016/679 and all implementation legislation relating thereto, the UK Data Protection Act of 2018, and the UK General Data Protection Regulation and (b) the Payment Card Information Data Security Standards and any other applicable self-regulatory frameworks, codes of conduct, or similar rules or regulations.

"Privacy Requirements" has the meaning set forth in Section 3.10(h).

"Proceeding" means any suit, action, cause of action, litigation, hearing, inquiry, examination, demand, proceeding, controversy, complaint, appeal, notice of violation, citation, summons, subpoena, arbitration, mediation, dispute, claim, allegation, investigation or audit of any nature whether civil, criminal, quasi criminal, indictment, administrative, regulatory or otherwise and whether at Law or in equity.

"Process," "Processed," or "Processing" means the collection, use, storage, processing, distribution, transfer, import, export, protection (including via security measures), disposal, disclosure, or other activity regarding data (whether electronically or in any other form or medium), including Personal Data.

"Purchase Price" has the meaning set forth in Section 2.02.

"Purchaser" has the meaning set forth in the Preamble.

"Purchaser Indemnified Parties" means Parent, Acquisition Sub and their respective Affiliates, equity holders, officers, directors, managers, employees, attorneys, accountants, consultants, financial advisors and other agents.

"Purchaser's Closing Deliverables" has the meaning set forth in Section 2.05.

"Reconciliation Period" has the meaning set forth in Section 2.07(c).

"Related Party" means (a) Owner, (b) Beneficial Owner, (b) any Affiliate or family member of Owner, or (c) any current or former director, manager, partner, officer, equityholder or Affiliate of Company or any Person described in clauses (a) or (b), or (d) any other Person in which a Person described in clauses (a), (b) or (c) has a financial interest.

"Released Parties" has the meaning set forth in Section 6.06.

"Representative" means with respect to any Person, such Person's respective directors, officers, employees, representatives, agents, attorneys, consultants, bankers, or advisors.

"Restricted Period" has the meaning set forth in Section 6.05(a).

"Sample Closing Statement" has the meaning set forth in Section 2.07(a).

"Sanctions" means economic or financial sanctions, requirements or trade embargoes imposed, administered or enforced from time to time by U.S. Governmental Authorities (including the Office of Foreign Assets Control, the U.S. Department of State and the U.S. Department of Commerce), the United Nations Security Council, the European Union, Her Majesty's Treasury or any other relevant Governmental Authority.

"SEC" means the U.S. Securities and Exchange Commission.

"Securities Act" means the Securities Act of 1933, as amended.

"Service Provider" means each director, officer, employee, manager, independent contractor, consultant, leased employee or other service provider of Company; provided, that Service Providers shall not include third-party software or services such as advertising agencies, 3PLs and accounting services or any other Person who is not controlled by Company or any of Company's Affiliates.

"Share Purchase" has the meaning set forth in the Recitals.

"Shareholder Agreement" means the Shareholder Agreement, in the form of Exhibit B.

"Shares" has the meaning set forth in the Recitals.

"SKU" means a stock-keeping unit maintained by a business in respect of a product or good in which it trades.

"Software" means all websites, computer software and firmware (including source code, executable code, data, databases, user interfaces and related documentation).

"Statutory Accounts" has the meaning set forth in Section 6.08.

"Straddle Period" has the meaning set forth in Section 6.01(c).

"Straddle Period Tax" has the meaning set forth in Section 6.01(c).

"Stock Transfer Form" has the meaning set forth in Section 2.04(h).

"Supplier" has the meaning set forth in Section 3.15.

"Tail Insurance" has the meaning set forth in Section 6.12.

"Tax" means any and all multi-national, federal, state, local or foreign income, gross receipts, franchise, estimated, alternative minimum, add-on minimum, sales, use, transfer, registration, value added, excise, natural resources, entertainment, amusement, severance, stamp, occupation, premium, windfall profit, environmental, customs, duties, real property, personal property, *ad valorem*, capital stock, social security, unemployment, disability, payroll, license, employee or other withholding, composite, healthcare, escheat or unclaimed property (whether or not considered a tax under applicable Law), or other tax, assessment, duty, fee, or similar charge of any kind whatsoever, including any interest, penalties or additions to Tax, any penalties resulting from any failure to timely or properly file a Tax Return, or additional amounts in respect of the foregoing; the foregoing shall include any transferee or secondary liability for a Tax and any liability assumed by agreement or arising as a result of being (or ceasing to be) a member of any Affiliated Group (or being included (or required to be included) in any Tax Return relating thereto).

"Tax Contest" has the meaning set forth in Section 6.01(e).

"Tax Returns" means returns, declarations, reports, notices, forms, claims for refund, information returns or other documents (including any related or supporting schedules, statements or information) filed or required to be filed with any Governmental Authority, or maintained by any Person, or required to be maintained by any Person, in connection with the determination, assessment or collection of any Tax of any party or the administration of any Laws, regulations or administrative requirements relating to any Tax.

"Term Sheet" has the meaning set forth in the Recitals.

"Third Party Claim" has the meaning set forth in Section 8.03(a).

"Trademarks" means, in the United States and all countries and jurisdictions foreign thereto, registered trademarks, registered service marks, trademark and service mark applications, unregistered trademarks and service marks, registered trade names and unregistered trade names, corporate names, fictitious names, registered trade dress and unregistered trade dress, logos, slogans, Internet domain names, rights in telephone numbers, and other indicia of source, origin, endorsement, sponsorship or certification, together with all translations, adaptations, derivations, combinations and renewals thereof.

"Transaction Accounting Principles" means the same accounting methods, practices, principles, policies and procedures, with consistent classifications, judgments and valuation and estimation methodologies historically applied by Company subject to the changes to such practices as set out in Schedule 1.01-TAP.

"Transaction Documents" means this Agreement and the Ancillary Agreements and any other schedule, certificate, instrument or other document contemplated thereby.

"Transaction Expense Payments" has the meaning set forth in Section 2.06(a).

"Transaction Expenses" means (a) all of the fees, costs and expenses incurred by Company or Seller in connection with the Transactions or any transaction or series of transactions similar to such transactions, including all fees, costs and expenses payable to attorneys, financial advisors, accountants, consultants or other advisors, (b) all payments by Company or Seller to obtain any third party consent required under any Material Contract in connection with the consummation of the Transactions and (c) all premium payments by Company or Purchaser to purchase Tail Insurance.

"Transactions" means the transactions contemplated by the Transaction Documents.

"Transfer Taxes" has the meaning set forth in Section 6.01(d).

"Treasury Regulations" means the Treasury Regulations promulgated under the Code.

"U.S." or "United States" means the United States of America.

ARTICLE II
PURCHASE AND SALE; CLOSING

Section 2.01 Purchase and Sale of the Shares. Upon the terms and subject to the conditions of this Agreement, at the Closing, Seller agrees to sell, convey, assign and transfer to Purchaser, and Purchaser agrees to purchase from Seller, the Shares, free and clear of any and all Liens, other than Permitted Liens.

Section 2.02 Purchase Price. The aggregate amount of consideration payable by Purchaser to Seller for the Shares shall be an amount equal to: (a) £5,963,285.50 in cash (the "Cash Purchase Price"), (b) the Closing Shares; *plus* (c) the Adjustment Amount, as it may be adjusted pursuant to Section 2.07; *plus* (d) subject to the terms and conditions set forth in Section 2.08, the Earn-Out Payment (items (a)–(d), the "Purchase Price").

Section 2.03 Closing. The closing of the transactions contemplated by this Agreement (the "Closing") shall be effected by electronic mail exchange of true, complete and accurate copies of executed originals of Company's and Seller's Closing Deliverables and Purchaser's Closing Deliverables on the date hereof, which date is referred to herein as the "Closing Date." The consummation of the transactions contemplated by this Agreement shall be deemed to occur at 12:01 a.m. Pacific Time on the Closing Date. Title to, beneficial ownership of, and any risk attaching to, the Shares shall pass on Closing and the Shares shall be sold and purchased together with all rights and benefits attached or accruing to them at Closing (including the right to receive any dividends, distributions or returns of capital declared, paid or made by Company on or after Closing).

Section 2.04 Company's and Seller's Closing Deliverables. In addition to the other requirements set forth in this Agreement, at the Closing, Company and Seller shall deliver or cause to be delivered to Purchaser each of the following documents and instruments (collectively, the "Company's and Seller's Closing Deliverables"):

(a) a Company Certificate, duly executed by Owner in Owner's capacity as an executive officer of Company;

(b) a certificate setting forth, for each SKU of Inventory, the (i) brand, (ii) name of the applicable Acquired Amazon Account associated with the units of Inventory, (iii) name of the entity owning such account, (iv) SKU number, (v) ASIN, (vi) product description, (vii) estimated number of units of Inventory on hand (pursuant to validly executed and accepted purchase orders), including at Amazon and at all 3PL or other facilities, (vii) Cost per unit

and (viii) a listing of all outstanding purchase orders (including any identifying numbers thereof) for Inventory, the outstanding payments owing thereunder, the number of units to be delivered pursuant thereto and whether the expected date of delivery for such units is equal to or greater than forty five (45) days after the Closing Date, all such data and calculations being as of the Measurement Time and presented in the form of Exhibit A, duly executed by Owner, in Owner's capacity as an executive of Company (the "Inventory Statement");

(c) copies of the Shareholder Agreement, duly executed by each of Owner and Beneficial Owner;

(d) an IRS Form W-8BEN, duly executed by each of Owner and Beneficial Owner;

(e) a Consulting Agreement, in the form of Exhibit C, duly executed by Owner (the "Consulting Agreement");

(f) a receipt executed by Owner and Beneficial Owner evidencing payment in full by Purchaser of the payment of the Closing Payment, in form and substance reasonably acceptable to Purchaser (to be deemed delivered upon Seller's receipt of the payment of Closing Payment due at the Closing);

(g) the Stock Transfer Form, in the form of Exhibit D, duly executed by Owner (the "Stock Transfer Form") together with all share certificates in respect of the Shares;

(h) a duly executed letter of resignation from each officer, director or manager of Company resigning from all such roles with Company effective as of the Closing;

(i) a certificate, dated as of the Closing Date and signed by Owner and Beneficial Owner, in each of their capacity as Seller and in Owner's capacity as an executive officer of Company, stating that: (i) (A) each Fundamental Representation, as well as each representation and warranty of Company set forth in Section 3.08(b), is true and correct in all respects on and as of the Closing Date as if made on the Closing Date, and (B) all other representations and warranties of Company and Seller contained this Agreement (without giving effect to any "material" or "Material Adverse Effect" qualifier or other similar qualifier therein), is true and correct in all material respects on and as of the Closing Date except in each case of clauses (A) and (B), that representations and warranties that are made as of specific date shall be tested only on and as of such date; and (ii) the covenants and agreements of Company and Seller to be performed on or before the Closing Date in accordance with this Agreement shall have been performed in all material respects;

(j) an irrevocable power of attorney given by Owner in favor of Purchaser to enable the beneficiary (or its proxies) to exercise all voting and other rights attaching to the Shares before the transfer of the Shares is registered in Company's share register; and

(k) a release of claims, in the form of Exhibit E, duly executed by Beneficial Owner.

Section 2.05 Purchaser's Closing Deliverables. In addition to the other requirements set forth in this Agreement, at the Closing, Purchaser shall deliver or cause to be delivered to Seller (collectively, the "Purchaser's Closing Deliverables"):

(a) a counterpart of each Ancillary Agreement to which Acquisition Sub is a party, duly executed by an executive officer of Acquisition Sub;

(b) a counterpart of each Ancillary Agreement to which Parent is a party, duly executed by an executive officer of Parent; and

(c) a certificate, dated as of the Closing Date and signed by an executive officer of each of Parent and Acquisition Sub, in their capacity as an executive officer of the applicable Person, stating that: (i) each representation and warranty of Parent and Acquisition Sub set forth in Article V is true and correct in all material respects on and as of the Closing Date as if made on the Closing Date except that representations and warranties that are made as of specific date shall be tested only on and as of such date; and (ii) the covenants and agreements of Parent and Acquisition Sub to be performed on or before the Closing Date in accordance with this Agreement shall have been performed in all material respects.

Section 2.06 Actions at Closing. At the Closing, Purchaser shall:

(a) pay, or cause to be paid an amount of cash equal to the Closing Purchase Price (the "Closing Payment") (i) to Owner and Beneficial Owner, by wire transfer of immediately available funds to the bank account or accounts in the Payment Waterfall, an amount of cash equal to the amounts set forth opposite the Owner and Beneficial Owner's names in the Payment Waterfall and (ii) to the third party Persons specified in the Payment Waterfall, by wire transfer of immediately available funds to the bank account or accounts designated in the Payment Waterfall, the amounts set forth opposite such Persons' names in the Payment Waterfall (the "Transaction Expense Payments"). The Closing Payment and the Transaction Expense Payments shall be paid in accordance with the payment waterfall set forth in Schedule 2.06-PW (the "Payment Waterfall").

(b) issue, or cause Parent's transfer agent to issue (in book-entry format), the Closing Shares to Owner and Beneficial Owner in the proportions set forth in the Payment Waterfall.

Section 2.07 Closing Adjustment.

(a) Schedule 2.07 sets forth a classification of the asset and Liability line items and general ledger accounts that constitute the Current Assets, the Current Liabilities, the Closing Inventory and the Overdue Liabilities and a sample calculation of each such amount as of the date set forth on such schedule (the "Sample Closing Statement"). At least three (3) Business Days prior to the Closing, Company shall deliver to Purchaser a good-faith estimate (which shall include an estimate of all of its component parts) of the Adjustment Amount (such estimate, the "Estimated Adjustment Amount" and, together with the estimates of its component parts, the "Estimated Amounts"), which statement shall contain a calculation of each of the Estimated Amounts and the Payment Waterfall (the "Closing Statement"), reasonable supporting detail and a certificate of Company that the Closing Statement was prepared in accordance with the Transaction Accounting Principles. Company shall provide Purchaser with reasonable access to the books and records of Company, and other Company documents, to verify the information set forth in the Closing Statement before the Closing Date. Not less than one (1) Business Day before the anticipated Closing Date, Purchaser shall notify Company if Purchaser disputes any aspect of the Estimated

Amounts or the calculations thereof, and Purchaser and Company shall negotiate in good faith to resolve any such dispute (or any aspect thereof). The amount so agreed shall be the Estimated Amounts for purposes of the Closing. If Purchaser and Company are unable to resolve such dispute, the Estimated Amounts set forth in the Closing Statement shall be the Estimated Amounts for the purposes of the Closing.

(b) No later than thirty (30) days after the Closing Date, Purchaser will cause to be prepared and delivered to Owner a statement setting forth (i) an updated Inventory Statement, which shall reflect any and all adjustments or revisions made by Purchaser to correct errors or omissions in the Inventory Statement delivered by Company at the Closing and (ii) Purchaser's calculation of the Adjustment Amount, which statement shall contain a calculation of the Adjustment Amount and all of its component parts (clauses (i) and (ii), the "Post-Closing Statement"), reasonable supporting detail and a certificate of Purchaser that the Post-Closing Statement was prepared in accordance with the Transaction Accounting Principles. Upon receipt of the Post-Closing Statement, Owner (and to the extent reasonably requested, its representative) will be given reasonable access, upon reasonable notice, to Purchaser's relevant books, records, workpapers and personnel related to the Adjustment Amount (subject to customary confidentiality relating to such access) during business hours for the limited purpose of verifying the contents of the Post-Closing Statement. If the Adjustment Amount set forth in the Post-Closing Statement, as finally determined pursuant to this Section 2.07, is less than the Estimated Adjustment Amount, then Owner and Beneficial Owner shall pay to Purchaser an amount equal to their *pro rata* share of such difference. If the Adjustment Amount set forth in the Post-Closing Statement, as finally determined pursuant to this Section 2.07, exceeds the Estimated Adjustment Amount, then Purchaser shall pay to Owner and Beneficial Owner, an amount equal to their *pro rata* share such excess. Owner's and Beneficial Owner's *pro rata* shares shall be as set out on the Payment Waterfall.

(c) Within thirty (30) days after receipt by Owner of the Post-Closing Statement, Owner shall deliver written notice to Purchaser of any dispute Owner has with respect to the calculation, preparation or content of the Post-Closing Statement (the "Dispute Notice"); provided, that if Owner does not deliver any Dispute Notice to Purchaser within such thirty (30)-day period, the Post-Closing Statement will be final, conclusive and binding on each of the Parties. The Dispute Notice shall set forth in reasonable detail (i) any item on the Post-Closing Statement that Owner disputes and (ii) the correct amount of such item. All undisputed amounts will be final, conclusive and binding on each of the Parties. Upon receipt by Purchaser of a Dispute Notice, Purchaser and Owner shall negotiate in good faith to resolve any dispute set forth therein. If Purchaser and Owner resolve any such dispute within fifteen (15) days after delivery of the Dispute Notice (the "Reconciliation Period"), then the Adjustment Amount shall be adjusted by such resolution, and the resolution of each such dispute shall become final, conclusive and binding on each of the Parties. If Owner and Purchaser cannot resolve all disputes during with Reconciliation Period, then Purchaser and Owner jointly shall engage, within ten (10) business days following the expiration of the Reconciliation Period, the Independent Accountant to resolve any remaining dispute. The Independent Accountant shall be directed to render a written resolution of each disputed item as promptly as practicable, and in any event not more than fifteen (15) days following the engagement of the Independent Accountant. Purchaser and Owner shall each furnish to the Independent Accountant such work papers, schedules and other documents and information related to the disputed items as the Independent Accountant may reasonably request. The

Independent Accountant shall resolve all remaining undisputed items based solely on the applicable definitions and other terms in this Agreement and the materials furnished by Purchaser and Owner without independent review. All determinations made by the Independent Accountant, and the Post-Closing Statement, as modified by the Independent Accountant, will be final, conclusive and binding on the Parties. All amounts that are final, conclusive and binding on the Parties pursuant to this Section 2.07 shall be enforceable in a court of law absent manifest error and fraud. The Parties agree that any adjustment as determined pursuant to this Section 2.07(c) shall be treated as an adjustment to the Purchase Price, except as otherwise required by applicable Law. All fees and expenses relating to the work, if any, to be performed by the Independent Accountant shall be borne equally by each Purchaser, on the one hand, and Owner, on the other hand, in relate to the proportion of the value of the disputed amounts determined in favor of the other Party.

(d) All payments required to be made pursuant to this Section 2.07 shall be made by wire transfer of immediately available funds within five (5) Business Days of the date on which the Adjustment Amount is finally determined.

Section 2.08 Earn-Out. As further consideration for the Stock, Purchaser shall pay to Owner and Beneficial Owner, on the terms and subject to the conditions set forth in this Section 2.08, an amount (the "Earn-Out Payment") equal to (x) 2021 EBITDA, *multiplied by* (y) the Earn-Out Multiplier. If the Earn-Out Multiplier is 1.50, the Earn-Out Payment shall consist of cash equal to the 2021 EBITDA *multiplied by* 1.15 and a number of shares of Parent Common Stock equal to the 2021 EBITDA, *multiplied by* 0.35, *divided by* the Earn-Out Price, rounded to the nearest whole share. If the Earn-Out Multiplier is 2.0, the Earn-Out Payment shall consist of cash equal to the 2021 EBITDA *multiplied by* 1.50 and a number of shares of Parent Common Stock equal to the 2021 EBITDA *multiplied by* 0.5, *divided by* the Earn-Out Price, rounded to the nearest whole share. The shares of Parent Common Stock to be issued pursuant to this Section 2.08 will be "restricted securities" under applicable U.S. federal and state securities Laws when issued. The Company shall use commercially reasonable efforts to register such shares of Parent Common Stock with the SEC and qualify such shares of Parent Common Stock by state authorities as soon as practicable after issuance.

(a) The Earn-Out Payment shall be paid in accordance with the Payment Waterfall no later than February 10, 2022, subject to Section 2.08(b). No later than the date the Earn-Out Payment is required to be paid pursuant to this Section 2.08(a), Purchaser shall cause to be prepared and delivered to Owner a statement (the "Earn-Out Statement") setting forth Purchaser's good faith calculation of (A) 2021 EBITDA and (B) the amount of the Earn-Out Payment, in each case, calculated in accordance with this Section 2.08. The "Earn-Out Price" means the 15-Day VWAP as of the date of issuance of the shares of Parent Common Stock included in the Earn-Out Payment.

(b) Owner may dispute the amount and calculation of the Earn-Out Payment by following the procedures set forth in Section 2.07(c), except that for purposes of this Section 2.08(b), all references in Section 2.07(c) to the Post-Closing Statement shall be deemed to refer to the Earn-Out Statement. If Owner disputes the amount or calculation of the Earn-Out Payment, then the full Earn-Out Payment shall be withheld during the pendency of any such dispute and shall be paid, in accordance with the Payment Waterfall, within five (5) Business Days of the resolution of all such disputes by wire transfer of immediately available funds to the bank accounts designated in writing by Owner and Beneficial Owner.

(c) Seller agrees that it will not at any time assert any claim against Purchaser or any of its Affiliates, or any of their respective directors, officers, employees, shareholders, Representatives or Affiliates, based on any assertion or allegation that the business and operations of Company have not been conducted prudently or in the best interest of Seller, or that Purchaser or its Affiliates failed to acquire, utilize, exploit or develop any opportunity for the use or benefit of Company, all of which claims are hereby irrevocably waived, so long as Purchaser continues to conduct the business of Company to achieve profitability at least equivalent to past profitability of Company and has not (i) taken any actions in bad faith or fraud, the intention of which was to reduce or avoid making the Earn-Out Payment; (ii) significantly change Company's business model of marketing and selling inkjet and/or laser media products direct to consumers through Amazon; or (iii) made any investments in, increased operating costs (including payroll expenses), made expenditures in excess of the ordinary course of business of Company compared to 2020 or created other lines of business to be operated by, Company, unless the costs and negative effects on profitability are excluded from the calculation of 2021 EBITDA. After the Closing, other than the above, Purchaser shall have sole discretion with regard to all matters relating to the business and operation of Company.

(d) In the event that Purchaser shall (i) sell the Shares whether by way of a sale of shares or merger or otherwise, in either case where a change-of-control is occasioned by such transaction, (ii) sell or transfer the material assets or business of the Company, or (iii) undertake any other transaction that will have similar effect, prior to Purchaser having paid the Earn-Out Payment in accordance with the provisions of this Section 2.08, any third-party acquirer shall become fully obligated in relation to the Earn-Out Payment and the provisions set out in this Section 2.08, including in relation to the conduct of the business of Company until the Earn-Out Payment has been made and shall provide written confirmation of such undertaking to Sellers, and Purchaser shall remain primarily responsible for the Earn-Out Payment.

Section 2.09 Book Entry Statement. Any time Parent is required to issue shares of Parent Common Stock pursuant to this Article II, Parent shall issue such shares in book-entry form and provide Owner and/or Beneficial, as applicable, with a book statement from Parent's transfer agent evidencing the issuance of such shares.

Section 2.10 Withholding. Purchaser and any other party making a payment pursuant to this Agreement will be entitled to deduct and withhold from any amounts payable pursuant to this Agreement any amounts that Purchaser determines are required to be deducted and withheld pursuant to applicable Law. To the extent that any such amounts are so deducted or withheld and are timely remitted to the appropriate Governmental Authority, such amounts will be treated for all purposes of this Agreement as having been paid to the Person in respect of which such deduction and withholding was made.

ARTICLE III
REPRESENTATIONS AND WARRANTIES OF COMPANY

Except as set forth in the corresponding sections or subsections of the Disclosure Schedules attached hereto (collectively, the "Disclosure Schedules") (each of which shall qualify only the specifically identified sections or subsections hereof to which such Disclosure Schedule relates and shall not qualify any other provision of the Transaction Documents; *provided*, that the exceptions in any section or subsection of the Disclosure Schedule shall qualify other sections and subsections to the extent it is readily apparent that such exception is applicable to such other sections and subsections), each of Company, Owner and Beneficial Owner, jointly and severally, represents and warrants to Parent and Acquisition Sub as of the Closing as follows:

Section 3.01 Organization and Qualification; Authorization.

(a) Company is duly organized, validly existing and in good standing under the Laws of England and Wales and has all requisite power and authority to own, lease and operate its assets, properties and business and to carry on its business as now being conducted.

(b) Company is duly qualified or otherwise authorized as a foreign entity to transact business in each jurisdiction listed on Schedule 3.01(b) of the Disclosure Schedules, which are all of the jurisdictions in which Company's operations as currently conducted requires Company to so qualify.

(c) Company has all requisite power and authority to (i) execute, deliver and perform its obligations under the Transaction Documents to which it is or will be a party and (ii) consummate the Transactions. The execution and delivery of the Transaction Documents to which Company is or will be a party, the performance by Company of its obligations hereunder and thereunder and the consummation by Company of the Transactions have been or will be duly authorized, including any stockholder approvals that may be required under Company's organizational documents and applicable Law.

(d) This Agreement has been, and the Ancillary Agreements to which Company is or will be a party will be, duly executed and delivered by Company and constitute the legal, valid and binding obligation of Company, enforceable against it in accordance with their respective terms, except as enforcement may be limited by applicable bankruptcy, insolvency, reorganization, moratorium and other similar Laws affecting the rights of creditors generally and the availability of equitable remedies (the "Bankruptcy and Equity Exception"). Seller has all requisite capacity to execute and deliver this Agreement and any other Transaction Documents to which Seller is a party.

(e) No Related Party owns any asset or property (including any Intellectual Property) that is used in, held for use in, or is reasonably necessary for the conduct of Company's business and operations.

Section 3.02 Capitalization.

(a) The Shares represent the whole of the issued share capital of Company. The Shares have been validly issued, are fully paid or are credited as fully paid, were issued in compliance with securities Laws or exemptions therefrom and were not issued in violation of preemptive or other similar rights. Other than as set forth in Schedule 3.02 of the Disclosure Schedules, there are no outstanding subscriptions, options, warrants, calls, rights, convertible or exchangeable securities, commitments or any other agreements or similar arrangements to which Company is a

party or by which Company is bound that obligate Company to (i) issue, deliver or sell or cause to be issued, delivered or sold any shares in the capital of Company or any other securities convertible into, or exercisable or exchangeable for, or evidencing the right to subscribe for, any shares in the capital of Company, or (ii) purchase, redeem or otherwise acquire any shares in the capital of Company. There are no stock appreciation rights, phantom stock rights or similar rights outstanding with respect to Company. Company is not a party to any voting trusts, stockholder agreements, proxies or other agreements in effect with respect to the voting or transfer of any of the shares in the capital of Company. Other than this Agreement and the Beneficial Ownership Agreement, there are no Contracts with respect to legal or beneficial ownership of the Shares, and the Beneficial Ownership Agreement shall not have any force, validity or effect of any kind whatsoever with respect to the Shares after Purchaser acquires the Shares at the Closing.

(b) Owner is the sole registered member and owns legally, and Owner and Beneficial Owner own beneficially, all of the issued and outstanding Shares, and will deliver to Purchaser at the Closing all such Shares and beneficial interest therein, free and clear of any Liens, other than Permitted Liens, and with no restriction on the voting rights and other incidents of record and beneficial ownership pertaining thereto.

(c) Company does not have any unsatisfied liability or obligation to pay any dividend or other distribution in respect of any of Company's shares or equity awards (and Company does not have accrued or declared, but unpaid, dividends or other distributions or obligations to make any payments in respect of Company's shares or equity awards).

Section 3.03 No Violation. Except as set forth on Schedule 3.03 of the Disclosure Schedules, the execution, delivery and performance by Company of the Transaction Documents and the consummation of the Transactions will not: (a) violate, contravene or conflict with any provision of the charter documents, bylaws or similar organizational documents of Company; (b) violate, contravene or conflict with any resolution adopted by Company's board of directors or stockholders; (c) violate, contravene or conflict with any Law or Order; (d) contravene, conflict with, result in the violation or breach of any of the terms or conditions of, or constitute (with or without notice or lapse of time or both) a material default under or an event which would, or could reasonably be expected to give rise to, any right of notice, modification, acceleration, payment, suspension, withdrawal, cancellation or termination under, or in any manner release any party thereto from any obligation under, or otherwise affect any rights of Company under, any Material Contract or material Permit that would be materially adverse to Company; or (e) result in the creation or imposition of any Lien upon any asset that would materially impact Purchaser's intended use of such asset.

Section 3.04 Consents and Approvals; Permits. Except as set forth on Schedule 3.04 of the Disclosure Schedules, no consent, approval, Order or authorization of, or registration, declaration or filing with, or notice to, any Governmental Authority or other Person, and no Permit, is required to be made or obtained by Company in connection with the authorization, execution, delivery and performance by Company of the Transaction Documents or the consummation of the Transactions or Purchaser's operation of Company after the Closing.

Section 3.05 Financial Statements; Accounting and Internal Controls.

(a) Schedule 3.05(a) of the Disclosure Schedules sets forth copies of the following financial statements of Company (collectively, the "Financial Statements"): (i) the unaudited balance sheets of Company as of December 31, 2020 (the "Balance Sheet Date"), December 31, 2019, December 31, 2018, and the related unaudited statements of operations for each of the years then ended (together with all related notes and schedules thereto).

(b) The Financial Statements have been prepared in accordance with the provisions of the Companies Act applicable to companies subject to the small companies regime consistently applied throughout the periods covered thereby. The Financial Statements (i) present fairly the assets, liabilities and financial condition of Company as of such dates and the results of operations of Company for such period (except for the absence of footnotes and subject to normal year-end adjustments not expected to be material in nature or amount) and (ii) are consistent with the books and records of Company (which books and records are correct and complete in all material respects). Since the Balance Sheet Date, there has been no change in any accounting principles, policies, methods or practices, including any change with respect to reserves (whether for bad debt, contingent Liabilities or otherwise) of Company.

(c) As of the Measurement Date, Company does not have any Liabilities other than those: (i) reflected or reserved against in the Financial Statements (or notes thereto); (ii) incurred since the Balance Sheet Date in the ordinary course of business; or (iii) expressly contemplated to be incurred by Company pursuant to this Agreement.

Section 3.06 Accounts Payable. All accounts payable of Company are reflected accurately and properly, in all material respects, on its books and records, including the Financial Statements and the Inventory Statement, are valid and have arisen in *bona fide* arm's-length transactions in the ordinary course of business. Company has been paying its accounts payable as and when due.

Section 3.07 Inventory. All of the Inventory, other than the Excluded Inventory, is of a quality no less than the quality of finished goods and other inventories maintained by Company in the ordinary course of business consistent with past practice and is merchantable and fit for the purpose for which it was procured or manufactured, and is not slow-moving, obsolete, damaged, or defective. All Inventory is owned by Company free and clear of any Liens (other than Permitted Liens), and no Inventory is held on excluded consignment basis other than under Amazon standard terms (FBA). All Inventory was acquired in the ordinary course of business consistent with past practice, has not been adulterated or misbranded, and complies with Company's internal quality assurance guidelines.

Section 3.08 Absence of Changes or Events. Since the Balance Sheet Date, (a) Company has conducted its business and operations only in the ordinary course consistent with past practice, (b) no Event has occurred that, individually or in combination with any other Events, has had or could reasonably be expected to have a Material Adverse Effect, (c) Company has not suffered any loss, damage, destruction or other casualty affecting any material assets of Company, whether or not covered by insurance, and (d) there has been no termination of or receipt of notice of termination, notice of intention to discontinue, or change to any financial or other material terms, with respect to any manufacturer of Company.

Section 3.09 Title to Assets.

(a) Company has good and valid title to or, in the case of leased property, good and valid leasehold interests in, all of the assets and properties used or held for use in connection with, necessary for the conduct of the business and operations of Company as currently conducted (including those assets and properties reflected on the Financial Statements, but excluding any such assets and properties sold, consumed, or otherwise disposed of in the ordinary course of business since the Balance Sheet Date), free and clear of all Liens, except for Permitted Liens or as set forth in Schedule 3.09(a) of the Disclosure Schedules.

(b) All material items of tangible personal property owned or leased by Company are in good operating condition and repair having regard for their age, ordinary wear and tear excepted, and are suitable for the purposes for which they are presently being used.

(c) Schedule 3.09(c) of the Disclosure Schedules sets forth the physical location of all of the assets and properties of Company that are tangible personal property.

Section 3.10 Intellectual Property.

(a) Schedule 3.10(a) of the Disclosure Schedules contains a true, complete and accurate description and list of all (i) patented or registered Intellectual Property owned by Company, (ii) pending patent applications and applications for other registrations of Intellectual Property owned by Company, and (iii) unregistered Trademarks, copyrights, and data (of any type or kind), if any, that are owned by Company and are necessary to Company's business and operations as presently conducted (indicating for each of (i) and (ii) the applicable jurisdiction, registration number (if registered), application number, date issued (if issued) and date filed).

(b) Company exclusively owns and possesses all right, title and interest in and to, or has the right under a valid and enforceable license to use and otherwise commercialize or exploit, all Intellectual Property necessary for or used or otherwise commercialized or exploited in Company's business and operations as presently conducted, free and clear of all Liens other than Permitted Liens (the "Company Intellectual Property"). None of the Company Intellectual Property is invalid or unenforceable in whole or in part. No loss or expiration of any of the Company Intellectual Property is pending, reasonably foreseeable or, to Company's Knowledge, threatened. No Company Intellectual Property is subject to any maintenance fees or taxes or actions falling due within ninety (90) days after the Closing Date.

(c) Company has taken all reasonable action necessary to protect and maintain in full force and effect the Company Intellectual Property, including to maintain the confidentiality of all trade secrets and Confidential Information in Company's possession or control. To Company's Knowledge, no event has occurred, and, no circumstance or condition exists, that (with or without notice or lapse of time) will, or reasonably could be expected to, result in the delivery, license or disclosure of any such trade secrets or Confidential Information to any other Person. To Company's Knowledge, no such trade secrets or Confidential Information have been impermissibly disclosed to any other Person or accessed or used by any other Person in an unauthorized manner.

(d) Other than as set forth in Schedule 3.10(d) of the Disclosure Schedules, Owner and each current or former Service Provider of Company has executed a valid and enforceable written agreement (i) assigning to Company ownership of all rights in any Intellectual Property and developed by such Seller or Service Provider, solely or jointly with others, in the course and scope of Owner's or such Service Provider's employment or engagement by Company, and (ii) containing confidentiality and non-use terms and conditions sufficient to protect all trade secrets and Confidential Information of Company. Beneficial Owner has not created or developed any Intellectual Property related in any manner whatsoever to the business or operations of the Company, solely or jointly with others and has had and currently has no right, title or interest of any kind in any Company Intellectual Property. Neither Owner nor Beneficial Owner owns or holds any Company Intellectual Property that is used, commercialized or exploited in any way by Company.

(e) Other than as set forth in Schedule 3.10(e) of the Disclosure Schedules, there have been no claims made or, to Company's Knowledge, threatened against Company asserting the invalidity, misuse or unenforceability of any Company Intellectual Property or challenging Company's ownership of Intellectual Property owned or purported to be owned by Company or right to use, commercialize or exploit any other Company Intellectual Property, in either case free and clear of Liens other than Permitted Liens, and to Company's Knowledge, there is no basis for any such claim, (ii) Company has not received any notices of, and to Company's Knowledge there are no facts which indicate a likelihood of infringement, violation or misappropriation by Company of any Intellectual Property (including any cease-and-desist letters or demands or offers to license any Intellectual Property from any other Person), (iii) Company's business and operations as previously conducted has not infringed, misappropriated or violated, and as presently conducted does not infringe, misappropriate or violate, any Intellectual Property of any other Person, and (iv) to Company's Knowledge, no Company Intellectual Property has been infringed, misappropriated or violated by any other Person.

(f) No Trademark owned or purported to be owned by Company is confusingly similar to any Trademark owned or applied for by any other Person. The use and licensing of all Trademarks owned or purported to be owned by Company has been subject to reasonable and adequate quality control, and Company has not used or enforced (or failed to use or enforce) any of such Trademarks in a manner that could result in the abandonment, cancellation, invalidity, or unenforceability of any such Trademarks.

(g) The E-Commerce Assets currently used by Company are sufficient for the current needs of Company, including as to capacity and ability to process current peak volumes in a timely manner. In the past twelve (12) months, there have been no bugs in, or failures, breakdowns, or continued substandard performance of, any E-Commerce Assets that has caused the substantial disruption or interruption in or to the use of such E-Commerce Assets by Company. Schedule 3.10(g) of the Disclosure Schedule describes the security precautions taken by Company to protect its Ecommerce Assets and any confidential, proprietary or private information stored thereon.

(h) Each privacy policy or other policy or terms published by Company that relates to Personal Data, and the date that such policies or terms were published or otherwise in effect, have been delivered or made available to Purchaser. Company is in compliance with all applicable Privacy Laws, its own privacy policies, terms of use, and other terms or policies or Contracts, and any third party privacy policies, terms of use, or other terms or policies or Contracts binding on Company with respect to, in each case, data security, Data Breach notification requirements, the

privacy of Service Provider, users, visitors, and customers, or the Processing of any Personal Data (collectively, the "Privacy Requirements"). No claims are currently pending or, to Company's Knowledge, are threatened against Company by any Person alleging a violation of any Privacy Requirements. The execution and delivery of this Agreement and the Ancillary Agreements, the performance by Company of its obligations hereunder and thereunder, and the consummation of the transactions contemplated hereby and thereby (i) will comply with all Privacy Requirements, (ii) will not impair any rights of, or impose any obligations or restrictions on, Company with respect to any use, disclosure, commercialization or exploitation of, or otherwise relating to, any Personal Data or other data, and (iii) will not give rise to any right on the part of any Person to impair any such rights or impose any such obligations or restrictions. Company has at all times made all necessary disclosures to, and obtained any necessary consents from, users, customers, employees, contractors and other applicable Persons required under all Privacy Requirements. Company has never received a complaint or been the subject of any Proceeding or investigation regarding its Processing of Personal Data or other data or its privacy or data security policies, practices, or activities. In compliance with Privacy Requirements, Company has adequate security measures in place to protect Personal Data and other data in its possession, custody, or control. To Company's Knowledge, Company has not experienced any Data Breach.

Section 3.11 Material Contracts.

(a) Schedule 3.11 of the Disclosure Schedules sets forth all Contracts (except for purchase or service orders executed in the normal course of business) to which, as of the date hereof, Company is a party or it or any of its assets or properties is otherwise bound, of the type described below (the "Material Contracts") that:

(i) involve aggregate consideration in excess of £25,000 and that cannot be cancelled by Company without penalty or without more than ninety (90) days' notice;

(ii) bind any party to any exclusive business arrangements, including arrangements in which Company must use a provider or supplier exclusively;

(iii) provide any customer of Company with pricing, discounts or benefits that either change based on price, discounts or benefits offered to the other customers of Company, including Contracts containing "most favored nation" provisions;

(iv) contain any license, royalty or other agreements relating to (A) any material Company Intellectual Property or (B) any Company Intellectual Property licensed to Company (other than a shrink wrap or similar license for generally available software for an annual license fee of no more than £25,000);

(v) provide for the indemnification by Company of any Person or the assumption of any Tax, environmental or other Liability of any Person;

(vi) relate to the acquisition or disposition of any business, a material amount of stock or assets of any other Person or any real property (whether by merger, sale of stock, sale of assets or otherwise);

(vii) are broker, distributor, dealer, manufacturer's representative, franchise, agency, sales promotion, market research, marketing consulting or advertising Contracts;

(viii) are employment agreements or Contracts with Service Providers and that are not cancellable by Company without material penalty or without more than ninety (90) days' notice;

(ix) are mortgages, indentures, notes, bonds or other agreements relating to indebtedness incurred or provided by Company (including any guarantees), but excluding all Contracts relating to trade receivables;

(x) are with any Governmental Authority;

(xi) limit or purport to limit the ability of Company to compete in any line of business or with any Person or in any geographic area or during any period of time or hiring or soliciting any group of employees or customers;

(xii) provide for any joint venture, partnership or similar arrangement by Company;

(xiii) are collective bargaining agreements or Contracts with any labor union; and

(xiv) is individually material to Company and not previously disclosed pursuant to this Section 3.11(a).

(b) Each Material Contract is valid and binding on Company in accordance with its terms and is in full force and effect. None of Company or, to Company's Knowledge, any other party thereto is in breach of or default under (or is alleged to be in breach of or default under), or has provided or received any notice of any intention to terminate, any Material Contract. No event or circumstance has occurred that, with notice or lapse of time or both, would constitute an event of default under any Material Contract or result in a termination thereof or would cause or permit the acceleration or other changes of any right or obligation or the loss of any benefit thereunder. Complete and correct copies of each Material Contract (including all modifications, amendments and supplements thereto and waivers thereunder) have been made available to Purchaser.

Section 3.12 Litigation. There are no Proceedings pending or, to Company's Knowledge, threatened against Company or any of the current or former officers, directors or employees of Company or current or former Service Providers, nor to Company's Knowledge is there any reasonable basis for any such Proceeding. There is no Order to which Company is a party or by which Company is bound. Schedule 3.12 of the Disclosure Schedules sets forth all settlements made by Company in excess of providing a customer with a replacement product or refund of the purchase price for such product.

Section 3.13 Compliance with Laws. Company is in compliance, and has at all times complied, in all material respects with all Laws in connection with Company's conduct, ownership, use, occupancy or operation of its business, and Company has not received during the past five (5) years, nor, to Company's Knowledge, is there any basis for, any notice or other communication from any Governmental Authority or any other Person that Company is not in compliance with any Law applicable to Company.

Section 3.14 Taxes.

(a) Company has timely and properly filed all Tax Returns required to be filed by or with respect to it. All such Tax Returns are accurate and complete in all material respects. Company has timely and properly paid all Taxes required to be paid by it, whether or not shown as due on any Tax Return.

(b) There are no Liens for Taxes upon Company other than Permitted Liens.

(c) There is no Tax deficiency or adjustment outstanding, assessed or proposed against Company, nor has Company executed any outstanding waiver of any statute of limitations on or extension of the period for the assessment or collection of any material Tax which is still outstanding.

(d) No Tax audits or administrative or judicial Tax Proceedings are being conducted with respect to Company. Company has not received from any Governmental Authority any (i) written notice indicating an intent to open an audit or other review with respect to Taxes, (ii) written request for information related to Tax matters, or (iii) written notice of deficiency or proposed adjustment or assessment for any amount of Tax that has not been resolved or paid in full.

(e) Company has not waived any statute of limitations in respect of Taxes or agreed to any extension of time with respect to a Tax assessment or deficiency, that, in either case, remains in effect.

(f) No claim has been made by an authority in a jurisdiction where Company does not file Tax Returns that Company may be subject to taxation by that jurisdiction.

(g) Company has (i) timely deducted, withheld, and remitted all Taxes required to have been deducted, withheld, or remitted in connection with any amounts paid or owing to any employee, independent contractor, equity interest holder, or other third party, and all filings with any Governmental Authority required with respect thereto have been properly completed and timely filed, (ii) timely and properly collected all sales, use, value-added, and similar Taxes required to be collected, and has remitted or will remit on a timely basis such amounts to the appropriate Governmental Authority, and (iii) properly requested, received, and retained all necessary exemption certificates and other documentation supporting any claimed exemption or waiver of Taxes on sales or similar transactions as to which it would otherwise have been obligated to collect or withhold Taxes. Other than as set forth in Schedule 3.14(g) of the Disclosure Schedules, each Person who provides or provided services to Company who is classified as an independent contractor or other non-employee for any purpose is properly classified.

(h) Company is not a party to or bound by (i) any Tax allocation, indemnification, or sharing agreement (other than this Agreement) or (ii) any closing or other agreement or ruling with any Governmental Authority with respect to Taxes, in each case that could bind Purchaser or any of its Affiliates after the Closing.

(i) Company is not and has never been a “passive foreign investment company” within the meaning of Section 1297 of the Code.

(j) Company has never been engaged in a trade or business or maintained a permanent establishment outside of its country of organization.

(k) Company has not invested in "United States property" (within the meaning of Section 956 of the Code).

(l) Company has not (nor has Seller) taken any action that would have the effect of deferring any Tax Liability of Company (or that would be apportionable to any owner of Company for Tax purposes) from any taxable period (or portion thereof) ending on or before the Closing Date to any taxable period (or portion thereof) beginning after the Closing Date.

(m) No elections have been made with respect to Company under Treasury Regulations Section 301.7701-3 on or prior to the Closing Date.

Section 3.15 Suppliers. Schedule 3.15 of the Disclosure Schedules contains a true, complete and accurate list of all of (a) the vendors and suppliers to Company (each a "Supplier"), ordered from largest to smallest by the aggregate value of purchases by Company during the twelve (12) month period ended December 31, 2020 and (b) with respect to each Supplier, the aggregate value of purchases during such twelve (12) month period. No Supplier has terminated or adversely modified the amount, frequency or terms of the business such Supplier conducts with Company. Company has not received any notice, nor does Company have any Knowledge, that any Supplier intends to terminate or adversely modify the amount, frequency or terms of the business such Supplier conducts with Company. Company does not have any outstanding material dispute with a Supplier, nor does Company have any Knowledge, of any dissatisfaction on the part of any Supplier.

Section 3.16 Products. All products manufactured, sold or delivered by Company comply with all applicable warranties, and Company does not have any Liability for replacement thereof or other damages in connection therewith. No products manufactured, sold or delivered by Company are subject to any guaranty, warranty or other indemnity beyond the applicable standard terms and conditions of sale with respect thereto which, in each case, have been made available to Purchaser or as set forth in Schedule 3.16 of the Disclosure Schedules. Company has not received any notice of any claims for, and there is no reasonable basis for any product recalls, returns, warranty obligations or service calls relating to any of its products or services. Company has not had nor has any Liability arising out of any injury to individuals or property as a result of the ownership, possession or use of any products manufactured, sold or delivered by Company or with respect to any services rendered by Company.

Section 3.17 International Trade Laws. Company has, at all times as to which the applicable statute of limitations has not yet expired, conducted its transactions in accordance with all applicable International Trade Laws. Without limiting the foregoing: (a) Company has obtained, and is in material compliance with, all export licenses, license exceptions and other consents, notices, waivers, approvals, orders, authorizations, registrations, declarations, classifications and filings with any Governmental Authority required for (i) the export and re-export of products, services, Software and technologies and (ii) releases of technologies and Software to foreign nationals located in the United States and abroad (collectively, the "Export Approvals"); (b) there are no pending or, to Company's Knowledge, threatened claims against

Company with respect to such Export Approvals; (c) there are no actions, conditions or circumstances pertaining to Company's import or export transactions that may give rise to any future claims; (d) no Export Approvals with respect to the transactions contemplated hereby are required; (e) Company has not received written notice to the effect that a Governmental Authority claimed or alleged that Company was not in compliance with International Trade Laws; and (f) neither Company nor any of its Affiliates has made any voluntary disclosures to, or has been subject to any fines, penalties or Sanctions from, any Governmental Authority regarding any past violations of International Trade Laws.

Section 3.18 Anticorruption; Improper Payments. None of Company, nor, to Company's Knowledge, any Representative, Affiliate, or any other Person authorized to act on behalf of Company, will or has, directly or indirectly, taken any act in furtherance of an offer, payment, promise to pay, authorization, or ratification of payment, directly or indirectly, of any money or anything of value (including any gift, sample, rebate, travel, meal and lodging expense, entertainment, service, equipment, debt forgiveness, donation, grant or other thing of value, however characterized) to any Government Official or any other Person to secure any improper advantage or to obtain or retain business that would or may cause Company to be in violation of Improper Payment Laws. Company complies, will and has at all times complied, with all Improper Payment Laws. Without limiting the generality of the foregoing, (a) Company has not violated and is not in violation of, in any material respect, the U.S. Anti-Kickback Statute (42 U.S.C. Section 1302a-7(b)), the Federal False Claims Act (31 U.S.C. Sections 3729, et seq.), the United Kingdom Bribery Act of 2010 or any related or similar Law and (b) there has been no use or authorization of money or anything of value relating to any unlawful payment or secret or unrecorded fund or any false or fictitious entries made in the books and records of Company relating to the same. None of Company, nor, to Company's Knowledge, any equity holder of Company, nor any of their respective Representatives, Affiliates or Persons acting on their behalf have received any notice or communication from any Person that alleges, nor have any of them been involved in any internal investigation involving any allegations relating to, potential violation of any Improper Payment Laws or other applicable Law, nor have any of them received a request for information from any Governmental Authority regarding Improper Payment Laws. None of Company, nor to Company's Knowledge, any Representative, Affiliate or other agent of Company, has employed or retained, directly or indirectly, a Government Official or a family member of a Government Official. No Government Official has, directly or indirectly, the right of control over, or any beneficial interest in Company.

Section 3.19 Related Party Transactions. There is no Contract between Company, on the one hand, and any Related Party, on the other hand, other than employment or benefit arrangements entered into in the ordinary course of business and disclosed to the Purchaser prior to the date hereof, and none of the Related Parties owns any property or right, tangible or intangible, which is used by Company.

Section 3.20 No Brokers or Finders. Neither Company nor any of its Affiliates has retained any broker or finder, agreed to pay or made any statement or representation to any Person that would entitle such Person to, any broker's, finder's or similar fees or commissions in connection with the Transactions other than as set forth in Schedule 3.20 of the Disclosure Schedules.

Section 3.21 Disclosure. None of the representations and warranties contained in this Article III, the information contained in the Exhibits and Disclosure Schedules attached hereto or the written statements, documents, certificates or other items prepared and supplied to Purchaser or its Affiliates by or on behalf of Company or Seller in connection with the Transactions contain any untrue statement of a material fact or omit a material fact necessary to make each statement contained herein or therein, in light of the circumstances in which they were made, not misleading.

ARTICLE IV
REPRESENTATIONS AND WARRANTIES OF OWNER AND BENEFICIAL OWNER

Except as set forth in the corresponding sections or subsections of the Disclosure Schedules (each of which shall qualify only the specifically identified sections or subsections hereof to which such Disclosure Schedule relates and shall not qualify any other provision of the Transaction Documents; *provided*, that the exceptions in any section or subsection of the Disclosure Schedule shall qualify other sections and subsections to the extent it is readily apparent that such exception is applicable to such other sections and subsections), Owner and Beneficial Owner, severally and not jointly, represent and warrant to Parent and Acquisition Sub as of the Closing as follows:

Section 4.01 Authorization. Seller is a natural person and a resident of the State of Israel. Seller has all requisite power and authority to execute and deliver the Transaction Documents, to consummate the Transactions and to comply with the terms, conditions and provisions hereof and thereof. The Transaction Documents to which Seller is or will be a party have been or will be duly executed and delivered by Seller and constitute the legal, valid and binding obligation of Seller enforceable against it in accordance with its terms, except as such enforceability may be limited by the Bankruptcy and Equity Exception.

Section 4.02 No Violation. The execution, delivery and performance by Seller of the Transaction Documents to which Seller is a party and the consummation of the Transactions will not: (a) violate, contravene or conflict with any Law or Order; (b) contravene, conflict with, result in the violation or breach of any of the terms or conditions of, or constitute (with or without notice or lapse of time or both) a default under or an event which would, or could reasonably be expected to give rise to, any right of notice, modification, acceleration, payment, suspension, withdrawal, cancellation or termination under, or in any manner release any party thereto from any obligation under, or otherwise affect any rights of Seller or by which any assets or properties of Seller are subject; or (c) result in the creation or imposition of any Lien upon any assets or properties of Seller, including the Shares.

Section 4.03 Consents and Approvals. No consent, approval, Order or authorization of, or registration, declaration or filing with, or notice to, any Governmental Authority or other Person is required to be made or obtained by Seller in connection with the authorization, execution, delivery and performance by Seller of the Transaction Documents to which Seller is a party, or the consummation by Seller of the Transactions.

Section 4.04 Ownership of Shares. Other than as set forth in Schedule 3.02 of the Disclosure Schedules, Owner is the sole registered member and owns legally, and Owner and Beneficial Owner own beneficially, all of the issued and outstanding Shares, and will deliver to Purchaser at the Closing all such Shares, free and clear of any Liens, other than Permitted Liens,

and with no restriction on the voting rights and other incidents of record and beneficial ownership pertaining thereto. Neither Seller nor Company is the subject of any bankruptcy, reorganization or similar Proceeding. Except for this Agreement and the Beneficial Ownership Agreement, there are no outstanding Contracts between Seller and any other Person with respect to the acquisition, disposition, transfer, registration or voting of or any other matters in any way pertaining or relating to, or any other restrictions on any of the Shares, and Seller has no right to receive or acquire any Shares of Company. The Beneficial Ownership Agreement shall not have any force, validity or effect of any kind whatsoever with respect to the Shares after Purchaser acquires the Shares at the Closing.

Section 4.05 Restricted Securities. Seller understands that the shares of Parent Common Stock to be issued pursuant to this Agreement have not been registered under the Securities Act, by reason of a specific exemption from the registration provisions of the Securities Act which depends upon, among other things, the *bona fide* nature of the investment intent and the accuracy of Company's representations as expressed herein. Seller understands that the shares of Parent Common Stock to be issued pursuant to this Agreement are "restricted securities" under applicable U.S. federal and state securities Laws and that, pursuant to these Laws, Seller must hold such shares of Parent Common Stock until they are registered with the SEC and qualified by state authorities, or an exemption from such registration and qualification requirements is available, such as Rule 144 under the Securities Act. Seller acknowledges that if an exemption from registration or qualification is available, it may be conditioned on various requirements including the time and manner of sale, the holding period for the Parent Common Stock and on requirements relating to Parent which are outside of Parent's control, and which Parent is under no obligation and may not be able to satisfy.

Section 4.06 Accredited Investor. Seller is an "accredited investor" as defined in Rule 501(a) of Regulation D promulgated under the Securities Act.

Section 4.07 Investment Experience. Seller represents that it is a sophisticated investor experienced in evaluating and investing in private placement transactions of securities of companies in similar stage of development as Purchaser and acknowledges that Seller can bear the economic risk of an investment in Parent Common Stock for an indefinite period of time, and has such knowledge and experience in financial and business matters that Seller is capable of evaluating the merits and risks of the investment in the Parent Common Stock.

Section 4.08 No General Solicitation. None of Seller, Company or any of Company's officers, managers, employees, agents, members or partners has either directly or indirectly, including through a broker or finder (a) engaged in any general solicitation, or (b) published any advertisement in connection with the offer and sale of the Parent Common Stock.

Section 4.09 Legends. Seller understands that the Parent Common Stock acquired hereunder and any securities issued in respect of or exchange therefor may bear any one or more of the following legends:

(a) "THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), AND MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED, ASSIGNED, PLEDGED OR HYPOTHECATED UNLESS REGISTERED UNDER THE ACT OR UNLESS AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE ACT IS AVAILABLE.";

(b) "THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO THE TERMS AND CONDITIONS OF A SHAREHOLDER AGREEMENT WHICH PLACES CERTAIN RESTRICTIONS ON THE TRANSFER AND VOTING OF THE SHARES REPRESENTED HEREBY. ANY PERSON ACCEPTING ANY INTEREST IN SUCH SHARES SHALL BE DEEMED TO AGREE TO AND SHALL BECOME BOUND BY ALL THE PROVISIONS OF SUCH AGREEMENT. A COPY OF SUCH SHAREHOLDER AGREEMENT WILL BE FURNISHED TO THE RECORD HOLDER OF THIS CERTIFICATE WITHOUT CHARGE UPON WRITTEN REQUEST TO COMPANY AT ITS PRINCIPAL PLACE OF BUSINESS."; and

(c) any legend required by the securities Laws of any state to the extent such Laws are applicable to the Parent Common Stock represented by the certificate so legended.

Section 4.10 Information; Investment Purpose. Seller has requested, received, reviewed and considered all the information Seller deems necessary, appropriate or relevant as a prudent and knowledgeable investor in evaluating the investment in Parent Common Stock. Seller further represents that it has had an opportunity to ask questions of and receive answers from Purchaser regarding the terms and conditions of the offering of the shares of Parent Common Stock and the business, prospects and financial condition of Purchaser necessary to verify the accuracy of any information furnished to Seller or to which Seller had access. Seller is acquiring the shares of Parent Common Stock pursuant to this Agreement in the ordinary course of Seller's business and for Company's own account for investment purposes only and with no present intention of distributing any Parent Common Stock, and no arrangement or understanding exists with any other persons regarding the distribution of Parent Common Stock.

Section 4.11 No Brokers or Finders. Other than as set forth in Schedule 3.20 of the Disclosure Schedules, Seller has not retained any broker or finder, agreed to pay or made any statement or representation to any Person that would entitle such Person to, any broker's finder's or similar fees or commissions in connection with the Transactions.

Section 4.12 Payment Waterfall. Seller represents and warrants as to the accuracy of the information in the Payment Waterfall attached hereto as Schedule 2.06 PW.

ARTICLE V
REPRESENTATIONS AND WARRANTIES OF PARENT AND ACQUISITION SUB

Except as set forth in the corresponding sections or subsections of the Parent Disclosure Schedules attached hereto (collectively, the "Parent Disclosure Schedules") (each of which shall qualify only the specifically identified sections or subsections hereof to which such Parent Disclosure Schedule relates and shall not qualify any other provision of the Transaction Documents; *provided*, that the exceptions in any section or subsection of the Disclosure Schedule shall qualify other sections and subsections to the extent it is readily apparent that such exception is applicable to such other sections and subsections), each of Parent and Acquisition Sub, jointly and severally, hereby represent and warrant to Seller and Company as of the Closing Date as follows:

Section 5.01 Organization; Authorization. Parent is a corporation and Acquisition Sub is a limited liability company; each is duly organized, validly existing and in good standing (except to the extent that the failure to be in good standing would not be material to Parent or Acquisition Sub, as applicable) under the Laws of the jurisdiction of its incorporation or organization. Each has all requisite power and authority to own, lease and operate its assets, properties and business and to carry on its business as now being conducted. Each of Parent and Acquisition Sub has all requisite power and authority to execute and deliver the Transaction Documents, to consummate the Transactions and to comply with the terms, conditions and provisions hereof and thereof. The execution, delivery and performance by each of Parent and Acquisition Sub of the Transaction Documents to which it is or will be a party have been duly and properly authorized by all requisite corporate action in accordance with applicable Law and with its organizational documents. The Transaction Documents to which either Parent and Acquisition Sub is or will be a party have been or will be duly executed and delivered by Parent and Acquisition Sub, as applicable, and constitute the legal, valid and binding obligation of Parent or Acquisition Sub, as applicable, enforceable against it in accordance with its terms, except as such enforceability may be limited by the Bankruptcy and Equity Exception.

Section 5.02 No Violation. The execution, delivery and performance by each of Parent and Acquisition Sub of the Transaction Documents to which it is a party and the consummation by each of Parent and Acquisition Sub of the Transactions will not violate, contravene or conflict with any: (a) Law, assuming that all consents, approvals and authorizations contemplated by clauses (a) – (c) of Section 5.03 have been obtained, and all filings described in such clauses have been made, or (b) provision of the charter documents, bylaws or similar organizational documents of Parent or Acquisition Sub.

Section 5.03 Consents and Approvals. No consent, approval, Order or authorization of, or registration, declaration or filing with, or notice to, any Governmental Authority or other Person is required to be made or obtained by Parent or Acquisition Sub in connection with the authorization, execution, delivery and performance by Parent or Acquisition Sub of the Transaction Documents to which Parent or Acquisition Sub is a party, or the consummation by Parent or Acquisition Sub of the Transactions, except for (a) the filing with the SEC of such filings and other reports as may be required pursuant to the applicable requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), (b) the applicable requirements of Nasdaq, and (c) the filings of documents with any applicable state securities authorities that may be required in connection with the issuance of Parent Common Stock.

Section 5.04 Valid Issuance. The shares of Parent Common Stock to be issued pursuant to Article II will, when issued in accordance with the provisions of this Agreement, be validly issued, fully paid and nonassessable.

Section 5.05 No Brokers or Finders. Neither Parent nor Acquisition Sub has retained any broker or finder, agreed to pay or made any statement or representation to any Person that would entitle such Person to, any broker's finder's or similar fees or commissions in connection with the Transactions.

Section 5.06 Issuance of Shares. The Closing Shares, when issued by Purchaser in accordance with the terms of this Agreement will be duly issued, fully paid and nonassessable and issued in compliance with any applicable law, and free of any Liens.

ARTICLE VI
COVENANTS AND AGREEMENTS

Section 6.01 Agreements Regarding Tax Matters.

(a) Straddle Period Taxes. Unless prohibited by applicable Law, the Tax period of Company shall be closed as of the end of the Closing Date. If applicable Law does not permit Company to close its Tax period on the Closing Date or such Tax period does not otherwise end on the Closing Date (each, a "Straddle Period"), any real or personal property Taxes (or other similar ad valorem Taxes or Taxes imposed on a periodic basis) attributable to Company that are imposed on or before and ending after the Closing Date (each, a "Straddle Period Tax") shall be proportionally allocated between Seller and Purchaser to the portion of the Straddle Period ending on the Closing Date and the portion of the Straddle Period beginning after the Closing Date, respectively, based on a "closing of the books" method; provided, that exemptions, allowances or deductions that are calculated on an annual basis shall be allocated between the portion of the Straddle Period ending on the Closing Date and the portion of the Straddle Period beginning after the Closing Date in proportion to the number of days in each such period. The Party required by Law to pay any such Straddle Period Tax (the "Paying Party") shall file the Tax Return related to such Straddle Period Tax within the time period prescribed by Law and shall timely pay such Straddle Period Tax. If Seller does not prepare and file a required Straddle Period Tax Return that Seller is required to prepare and file prior to the date that is ten (10) Business Days before the due date of such Tax Return, Purchaser may prepare and file such Tax Return, and Seller shall be required to reimburse Purchaser for Purchaser's reasonable costs related thereto. To the extent any portion of such payment is the responsibility of the other party hereunder, the Paying Party shall provide the other party (the "Non-Paying Party") with notice of the amount of such Straddle Period Taxes, and within ten (10) days of receipt of such notice, the Non-Paying Party shall reimburse the Paying Party for the Non-Paying Party's share of such Straddle Period Taxes.

(b) Transfer Taxes. All transfer, documentary, sales, use, stamp, value added, goods and services, excise, registration and other similar Taxes, and all conveyance or filing fees, recording charges and other similar fees and charges (including any penalties and interest) incurred in connection with the consummation of the transactions contemplated by this Agreement and any Ancillary Agreements ("Transfer Taxes") shall be borne and paid when due by Seller save in respect of UK stamp duty, which shall be borne by the Acquisition Sub. The Party responsible under applicable Law for preparing and filing Tax Returns with respect to Transfer Taxes shall, at its own expense, prepare and file all such Tax Returns and other documentation with respect to all such Transfer Taxes, and if required by Law, the other Party(ies) shall join in the execution thereof.

(c) Cooperation. Each Party shall (i) provide the other Parties with such assistance as may reasonably be required in connection with the preparation of any Tax Return of Parent, Acquisition Sub, Company or Seller and the conduct of any audit or other examination by any Governmental Authority or in connection with judicial or administrative proceedings relating to any Liability for Taxes and (ii) retain and provide the other Parties with all records or other

information that may be relevant to the preparation of any Tax Returns, or the conduct of any audit, examination or other proceeding relating to Taxes (each, a "Tax Contest"). Such cooperation shall include obtaining and providing appropriate forms, providing the necessary powers of attorney, retaining and providing records and information that are reasonably relevant to any such Tax Return or Tax Contest, and making employees available on a mutually convenient basis to provide additional information and explanation of any materials provided hereunder, in each case at the expense of the party requesting such cooperation. Seller shall convey to Purchaser all documents, including prior years' Tax Returns, supporting work schedules and other records with respect to Company, including all sales, use and employment Tax Returns.

Section 6.02 Employee Matters. Nothing in this Agreement shall (a) create a Contract between Purchaser and any Service Provider, or (b) require or be construed to require Purchaser or any Affiliate of Purchaser (not including Company) to provide any employee benefit plan or non-cash compensation (including retirement benefits, health or welfare benefits, equity-based compensation, or severance) to any Person. Notwithstanding anything in this Agreement to the contrary, no Service Provider may rely on this Agreement as the basis for any breach of contract claim against Purchaser.

Section 6.03 Further Assurances. Each of the Parties agrees that subsequent to the Closing, upon the reasonable request of any other Party from time to time, it shall execute and deliver, or cause to be executed and delivered, such further instruments and take such other actions as may be reasonably necessary or desirable to carry out the transactions contemplated by the Transaction Documents. Promptly upon Closing, Purchaser shall cause Company to take all action to remove the name of Owner on the registration documents of Company with its Amazon accounts.

Section 6.04 Public Announcements. None of the Parties, or any of their respective Representatives shall issue or cause the publication of any press release or other public announcement relating to the Transaction Documents or the Transactions (whether before or after the Closing) without the prior written consent of the other Parties, except as such Person believes in good faith and based on reasonable advice of external legal counsel is required by applicable Law (in which case the disclosing Person will advise Purchaser in writing before making such disclosure).

Section 6.05 Restrictive Covenants.

(a) Non-Competition. Seller covenants and agrees that, during the period beginning on the Closing Date and ending on the date that is the second anniversary of the Closing Date (the "Restricted Period"), Seller and its Affiliates will not, directly or indirectly, engage or participate in any manner (as an owner, equity holder, financing source, director, manager, officer, employee, agent, representative, consultant, service provider or otherwise) in any business, including worldwide retail and online sale, that is competitive with any existing product (i) sold by Company as of the date that is one day prior to the Closing Date or (ii) sold by Purchaser as of the Closing Date which are listed on Schedule 6.05(a), anywhere in world. Notwithstanding the foregoing, nothing contained in this Section 6.05(a) shall prohibit Seller or its Affiliates from the passive ownership of less than two percent (2%) of any class of stock listed on a national securities exchange or traded in the over-the-counter market.

(b) Non-Solicitation of Business Relationships. Without limiting the generality of Section 6.05(a), Seller hereby covenants and agrees that during the Restricted Period, Seller and its Affiliates will not, directly or indirectly, solicit, induce or advise or participate in any manner (as an owner, equity holder, financing source, director, manager, officer, employee, agent, representative, consultant, service provider or otherwise) in any business that solicits, induces or advises, any Person that is or was a customer, supplier or other business relation of Company or its Affiliates at any time during the twelve (12) month period prior to the Closing Date for purposes of diverting such Person's business from Purchaser or providing any goods or services which are or are likely to be considered to be competitive with those provided by Company.

(c) Non-Solicitation of Employees and Contractors. Seller covenants and agrees that during the Restricted Period Seller and its Affiliates will not, directly or indirectly, solicit, induce, employ or engage, or participate in any manner (as an owner, equity holder, financing source, director, manager, officer, employee, agent, representative, consultant, service provider or otherwise) in any business that solicits, induces, employs or engages, any individual that served as an employee or independent contractor of Company or its Affiliates at any time during the twelve (12) month period prior to the Closing Date, or otherwise seek to influence or alter any such Person's relationship with Purchaser or any of Affiliates of Purchaser.

(d) Non-Disparagement. Seller covenants and agrees that Seller and its respective Affiliates will not, directly or indirectly, make, cause to be made or condone the making of any statement or other communication, written or otherwise, that is likely to constitute disparagement or criticism of, or that is likely to otherwise be considered to be derogatory or detrimental to, or otherwise harm the reputation of, or encourage any adverse action against Company, Purchaser or any Affiliate of Purchaser or any of their employees or Affiliates. Nothing in this Section 6.05(d) shall limit Seller or its Affiliates' ability to make true and accurate statements or communications in connection with (i) any disclosure Seller or its Affiliates reasonably believe (based on reasonable advice of external legal counsel) is required pursuant to applicable Law, or (ii) any factual disclosure required for the enforcement of Seller's rights in the event of any breach of this Agreement by Purchaser.

(e) Acknowledgements; Remedies. Seller acknowledges and agrees that (i) the covenants and agreements set forth in this Section 6.05 were a material inducement to Purchaser to enter into this Agreement and to perform its obligations hereunder, (ii) Purchaser and its Affiliates would not obtain the benefit of the bargain set forth in this Agreement as specifically negotiated by the Parties if Seller or any of its Affiliates breached any provision of this Section 6.05, (iii) any breach of any provision of this Section 6.05 by Seller or any of its Affiliates would result in a significant loss of goodwill by Purchaser and Company, (iv) the Purchase Price is sufficient consideration to make the covenants and agreements set forth herein enforceable, (v) the length of time, scope and geographic coverage of the covenants set forth in this Section 6.05 is reasonable given the benefits Seller will directly or indirectly receive hereunder, (vi) Seller is familiar with all the restrictive covenants contained in this Section 6.05 and is fully aware of its obligations hereunder, and (vii) Seller will not challenge the reasonableness of the time, scope, geographic coverage or other provisions of this Section 6.05 in any Proceeding, regardless of who initiates such Proceeding. If any provision of this Section 6.05 relating to the length of time, scope or geographic coverage shall be declared by a court of competent jurisdiction or arbitrator to exceed the maximum length of time, scope geographic coverage, as applicable, under applicable

Law, said length of time, scope or geographic coverage shall be deemed to be, and thereafter shall become, the maximum length of time, scope or geographic coverage that such court or arbitrator deems reasonable and enforceable and this Agreement shall automatically be considered to have been amended and restated to reflect such determination. Seller further acknowledges and agrees that irreparable injury will result to Purchaser if Seller or any of its Affiliates breaches any of the terms of this Section 6.05 and that in the event of an actual or threatened breach by Seller or any of its Affiliates of any of the provisions contained in this Section 6.05, Purchaser will have no adequate remedy at Law. Seller accordingly agrees that in the event of any actual or threatened breach by Seller or any of its Affiliates of any of the provisions contained in this Section 6.05, Purchaser shall be entitled to injunctive and other equitable relief without (A) posting any bond or other security, (B) proving actual damages or (C) showing that monetary damages are an inadequate remedy. Nothing contained herein shall be construed as prohibiting Purchaser from pursuing any other remedies available to it for such breach or threatened breach, including the recovery of any damages that it is able to prove. Seller shall cause its Affiliates to comply with this Section 6.05, and shall be liable for any breach by any of its Affiliates of this Section 6.05. In the event of a breach or violation by Seller or any of its Affiliates of this Section 6.05, the Restricted Period with respect to such party shall be extended by a period of time equal to the period of time during which such Person violates the terms of this Section 6.05.

Section 6.06 Release and Waiver. Effective upon the Closing, Seller hereby irrevocably waives, releases and discharges Purchaser and its officers, directors, managers, stockholders, Affiliates and representatives, including, after the Closing, Company (collectively, the "Released Parties"), from any and all claims, Liabilities, debts or obligations of any kind or nature whatsoever (including in respect of rights of contribution or indemnification), in each case whether absolute or contingent, liquidated or unliquidated, known or unknown, and agrees not to bring or threaten to bring or otherwise join in any claim against any of the Released Parties relating to, arising out of or in any way connected with any facts or circumstances (known or unknown) relating to Company or Company's business or operations that existed on or prior to the Closing Date; provided, that the foregoing waiver and release shall not apply to any claim, indemnity, or obligation of Purchaser pursuant to the Transaction Documents or Owner's right to indemnification as a former director of Company or pursuant to the Tail Insurance. Except as otherwise expressly provided for in the Transaction Documents, Seller agrees that from and after the Closing, none of Parent, Acquisition Sub or Company will have any Liabilities to Seller or any of Seller's Affiliates other than as set forth in the Transaction Documents or Owner's right to indemnification as a former director of Company or pursuant to the Tail Insurance. Owner's right to indemnification as a former director of Company shall be limited to only those rights granted to Owner pursuant to the Company's governing documents and the Companies Act and shall not extend to any matter described in Article VIII.

Section 6.07 Seller's Obligation. Seller shall, and before and at the Closing shall cause Company to, perform and comply with each of the covenants set forth in this Agreement. Seller acknowledges and agrees that Seller will derive substantial benefit from the consummation of the Transactions and Seller's execution and delivery of this Agreement is a material inducement and condition to Purchaser's willingness to enter into the Agreement and to consummate the Transactions. Seller hereby (a) acknowledges that Company has made certain covenants and undertaken and is subject to certain obligations under this Agreement and the Ancillary Agreements, (b) agrees to cause Company to perform and comply with each of its covenants and

obligations set forth in this Agreement and the Ancillary Agreements that are to be performed or complied with before or at the Closing, and (c) agrees to guarantee and be jointly and severally responsible for the payment and performance of Company's obligations under this Agreement and the Ancillary Agreements that Company is obligated to pay or perform before or at the Closing.

Section 6.08 Financial Statements. Owner shall reasonably cooperate with Purchaser after the Closing regarding financial information relating to Company that Purchaser determines may be required in connection with Company's statutory accounts for the year ended April 30, 2021 and any audit thereof (the "Statutory Accounts"). If an audit of the Statutory Accounts is required to be completed pursuant to applicable Law, then Owner shall reasonably cooperate with the auditor of the Statutory Accounts including by meeting, on reasonable notice and during normal business hours, with such auditor. If Purchaser determines after Closing that it is required to incorporate the Statutory Accounts into any registration statement filed with the SEC under the Securities Act or any other report filed with the SEC under applicable securities Laws, Owner shall, at Purchaser's request, reasonably cooperate with Purchaser to enable such filing with the SEC, including by using commercially reasonable efforts to cause the auditor of the Statutory Accounts to provide to Purchaser no later than five (5) Business Days before the required filing date the consents necessary, if any, to permit the auditor's opinion to be included in such filing.

Section 6.09 Confidentiality. From and after the Closing, Seller shall, and shall cause its Representatives to, hold in confidence all Confidential Information, and Seller shall be liable for the disclosure of such Confidential Information by its Representatives to the same extent as if such representative were the disclosing Seller itself. If Seller or any of its Representatives are requested or required by Order or Law to disclose any such Confidential Information, Seller shall promptly notify Purchaser of the same to permit Purchaser to seek a protective order or take other action deemed appropriate by Purchaser. In such circumstances, Seller will participate in Purchaser's efforts to obtain a protective order or other reasonable assurance that confidential treatment will be afforded to such Confidential Information. If, absent the entry of a protective order, Seller or its Representatives are compelled as a matter of Law to disclose any such Confidential Information, such Person may disclose to the party compelling disclosure only that part of such Confidential Information as is required by Law to be disclosed, and such Person shall exercise its reasonable best efforts to obtain confidential treatment therefor. Upon Purchaser's request, Seller will return and cause its Representatives to return to Purchaser all such Confidential Information provided by or on behalf of Purchaser or Company and destroy all Confidential Information prepared by Seller or its Representatives, except to the extent such Persons are required to retain such Confidential Information to comply with applicable Law.

Section 6.10 Closing Date Changes. Company shall not take any action between 12:01 a.m. Greenwich Mean Time and 12:01 a.m. Pacific Time on the Closing Date (other than the sale of Company's products and the fulfillment of such sales) that could reasonably be expected to increase or decrease the Estimated Adjustment Amount or the Adjustment Amount.

Section 6.11 D&O Insurance. Prior to the Closing, Company shall purchase tail/run-off insurance coverage (the "Tail Insurance") for the present and former directors and officers of Company covering them for events prior to the Closing. The provisions of this Section 6.11 shall survive the Closing and are intended to be for the benefit of, and enforceable by, each current director and officer of Company and his or her heirs and personal representatives. Company shall maintain, and the Purchaser shall procure that Company shall maintain, such Tail Insurance for the period set forth above.

ARTICLE VII
CLOSING DELIVERABLES

Section 7.01 Company's and Seller's Closing Deliverables. At the Closing, Company and Seller shall execute and cause to be delivered, and Purchaser shall have received, Company's and Seller's Closing Deliverables.

Section 7.02 Purchaser's Closing Deliverables. At the Closing, Purchaser shall execute and cause to be delivered, and Company and Seller shall have received, Purchaser's Closing Deliverables.

ARTICLE VIII
INDEMNIFICATION

Section 8.01 Survival.

(a) The representations, warranties, covenants and agreements contained herein shall survive the Closing. The indemnification obligations under Section 8.02 with respect to breaches of representations and warranties contained in this Agreement or any certificate delivered pursuant to this Agreement shall survive the Closing and continue until the date that is eighteen (18) months after the Closing Date, except that the Fundamental Representations of Company, Seller and Beneficial Owner shall survive the Closing until thirty (30) days following the expiration of the applicable statutes of limitations.

(b) The indemnification obligations under Section 8.02 with respect to breaches of covenants and agreements contained in this Agreement or any certificate delivered pursuant to this Agreement shall survive the Closing and continue until thirty (30) days after the statute of limitations (giving effect to any waiver, mitigation or extension thereof) applicable to the subject matter of such covenants and agreements bars all claims with respect to such subject matter.

(c) Notwithstanding anything to the contrary contained herein, if written notice of any claim for indemnification hereunder has been delivered in accordance herewith prior to the expiration of the applicable period set forth above, the indemnification obligations hereunder shall continue with respect to such claim until the final resolution and satisfaction of such claim in accordance with the provisions of this Article VIII, and Seller shall indemnify the Purchaser Indemnified Parties for all Losses incurred in respect of such claim (subject to any applicable limitations herein), regardless of when such Losses are incurred.

Section 8.02 Indemnification by Seller. From and after the Closing, and subject to the terms of this Agreement, Owner and Beneficial Owner shall, severally and not jointly, indemnify, defend and hold harmless the Purchaser Indemnified Parties from and against, and pay or reimburse the Purchaser Indemnified Parties for, any and all Losses relating to, imposed upon, suffered or incurred by any Purchaser Indemnified Party by reason of, resulting from or arising out of:

(a) any inaccuracy in or breach of any of the representations or warranties of Company or Seller contained in this Agreement or any certificate delivered by Company or Seller pursuant to this Agreement;

(b) any breach by Company, Seller or Beneficial Owner of any of their respective covenants or agreements contained in this Agreement; and

(c) any Excluded Taxes.

Section 8.03 Indemnification Procedure.

(a) If any Purchaser Indemnified Party receives notice of the assertion of any claim or of the commencement of any Proceeding by any Person who is not a Party or an Affiliate of a Party (a "Third Party Claim") against such Purchaser Indemnified Party, with respect to which the Seller is or may be required to provide indemnification pursuant to Section 8.02, the Purchaser Indemnified Party shall give written notice regarding such Third Party Claim to Seller within twenty (20) days after learning of such Third Party Claim, provided, that the failure to so notify Seller shall not relieve Seller of its obligations under this Article VIII except to the extent (and only to the extent) that Seller incurs greater costs by reason of such failure, and will not relieve Seller from any other obligation that they may have to a Purchaser Indemnified Party other than under this Article VIII. For purposes of this Article VIII, any references to the Purchaser Indemnified Party shall, if the context so applies or if Purchaser so elects, be deemed to refer to any other Purchaser Indemnified Party.

(b) Seller shall be entitled to participate in the defense of any Third Party Claim at Seller's expense (which expenses shall not be applied against any indemnity limitation herein). Seller at its option shall be entitled to assume the defense of a Third Party Claim (subject to the limitations set forth below) by (i) delivering written notice to the Purchaser Indemnified Party of Seller's election to assume the defense of such Third Party Claim within twenty (20) days of receipt of notice from the Purchaser Indemnified Party, and (ii) appointing a nationally recognized and reputable counsel reasonably acceptable to the Purchaser Indemnified Party to be the lead counsel in connection with such defense. If Seller does not expressly elect to assume the defense of such Third Party Claim within the twenty (20) day time period specified in this Section 8.03(b) and otherwise in accordance with the preceding sentence, the Purchaser Indemnified Party shall have the sole right to assume the defense of and to settle such Third Party Claim.

(c) If Seller has assumed the defense of a Third Party Claim in accordance with the terms of Section 8.03(b), the Purchaser Indemnified Party shall be entitled to participate in the defense of such claim and to employ counsel of its choice for such purpose, and the fees and expenses of such separate counsel shall be borne by the Purchaser Indemnified Party other than any fees and expenses of such separate counsel (i) that are incurred prior to the date Seller assumes control of such defense, (ii) if the Purchaser Indemnified Party reasonably shall have concluded (upon advice of its counsel) that there may be one or more legal defenses available to such Purchaser Indemnified Party that are not available to Seller, or (iii) if Seller may have different, conflicting, or adverse legal positions or interests from the Purchaser Indemnified Party with respect to such Third Party Claim.

(d) Notwithstanding anything to the contrary contained herein, Seller shall not be entitled to control the defense of a Third Party Claim (and the Purchaser Indemnified Party shall be entitled to maintain or assume control of the defense of such Third Party Claim, at Seller's sole expense) if (i) the Third Party Claim relates to or involves any criminal or quasi criminal Proceeding, (ii) the Third Party Claim could reasonably be expected to materially and adversely affect the Purchaser Indemnified Party (as determined by the Purchaser Indemnified Party in good faith) other than as solely a result of money damages, (iii) the Third Party Claim seeks an injunction or other equitable relief against the Purchaser Indemnified Party, (iv) the Third Party Claim involves Taxes that are addressed in Section 6.01 (which shall be governed exclusively by Section 6.01), (v) there exists or would, or could reasonably be expected to, exist a conflict of interest that would make it inappropriate in the judgment of the Purchaser Indemnified Party for the same counsel to represent both the Purchaser Indemnified Party and Seller, (vi) the Purchaser Indemnified Party elects to pursue one or more defenses or counterclaims available to it that are inconsistent with one or more of those that are being pursued by Seller in respect of such Third Party Claim or any litigation relating thereto, (vii) the Third Party Claim involves a material customer or material supplier of Company or any other Purchaser Indemnified Party, (viii) the Third Party Claim relates to any Intellectual Property, or (ix) Seller fails to diligently defend the Third Party Claim.

(e) If Seller has assumed the defense of a Third Party Claim in accordance with the terms of Section 8.03(b), Seller shall obtain the prior written consent of the Purchaser Indemnified Party (not to be unreasonably withheld) before entering into any settlement of, consenting to the entry of any judgment with respect to or ceasing to defend such Third Party Claim if (i) pursuant to or as a result of such settlement, consent or cessation, injunctive or other equitable relief will be imposed against the Purchaser Indemnified Party, or a finding or admission of any violation of Law would be made by any Purchaser Indemnified Party, or such settlement, consent or cessation would otherwise likely to be expected to interfere with or adversely affect the business, operations or assets of the Purchaser Indemnified Party, or (ii) such settlement or judgment does not expressly and unconditionally release the Purchaser Indemnified Party from all Liabilities and obligations with respect to such Third Party Claim.

(f) If Purchaser has assumed the defense of a Third Party Claim in accordance with the terms of this Section 8.03, Purchaser shall obtain the prior written consent of the Seller (not to be unreasonably withheld) before entering into any settlement of, consenting to the entry of any judgment with respect to or ceasing to defend such Third Party Claim; provided, that if Purchaser notifies Seller in writing of a proposed settlement offer or entry of judgment and Seller does not consent to such settlement offer or entry of any judgment within ten (10) days after its receipt of such notice from Purchaser, Purchaser may settle or consent to the entry of any judgment with respect to such Third Party Claim no less favorable to Seller than the terms set forth in Purchaser's notice to Seller.

(g) Any indemnification payments required to be made by Seller in respect of a Third Party Claim shall be made promptly as and when bills are received by Seller or within ten (10) days following Seller's receipt of notice that Losses have occurred.

(h) Notwithstanding the provisions of Section 9.10, Seller hereby consents to the nonexclusive jurisdiction of any court in which a Proceeding in respect of a Third Party Claim is brought against any Purchaser Indemnified Party for purposes of any claim that a Purchaser Indemnified Party may have under this Agreement with respect to such Proceeding or the matters alleged therein and agrees that process may be served on Seller with respect to such claim anywhere.

(i) Seller shall not be entitled to require that any Proceeding be made or brought against any other Person before a Proceeding is brought or claim is made against it pursuant to Section 8.02 by the Purchaser Indemnified Party.

(j) The Purchaser Indemnified Parties shall deliver to Seller, with reasonable promptness, notice of any claim with respect to which the Seller is or may be required to provide indemnification pursuant to Section 8.02 and that does not involve a Third Party Claim (a "Direct Claim"); provided, that a Purchaser Indemnified Party's failure to so notify Seller of a Direct Claim shall not relieve Seller of its obligations under this Article VIII except to the extent (and only to the extent) that Seller incurs greater costs by reason of such failure, and will not relieve Seller from any other obligation that they may have to a Purchaser Indemnified Party other than under this Article VIII. If Seller does not notify the Purchaser Indemnified Party within thirty (30) days after its receipt of notice of a Direct Claim that Seller disputes its Liability to the Purchaser Indemnified Party for some or all of such Direct Claim, then the undisputed portion of the Direct Claim shall be conclusively deemed a Liability of Seller hereunder, and Seller shall pay the amount of such Liability to the Purchaser Indemnified Party on demand.

(k) If Seller agrees that it has an indemnification obligation under this Article VIII but asserts that it is obligated to pay a lesser amount than that claimed by the Purchaser Indemnified Party, Seller shall pay such lesser amount promptly to the Purchaser Indemnified Party, without prejudice to or waiver of the Purchaser Indemnified Party's claim for the difference.

(l) If a Third Party Claim or Direct Claim relates to Company, then (i) all references in this Section 8.03 (other than Section 8.03(j)) to "Seller" shall be deemed to refer to Owner, (ii) Purchaser may rely conclusively for all purposes of this Section 8.03 of notice, consent, approval, information or other actions or omissions to act by Owner, without regard to Beneficial Owner and (iii) Purchaser shall be deemed to have satisfied all of its obligations under this Section 8.03 with respect to Beneficial Owner by satisfying such obligation with respect to Owner, provided, that this Section 8.03(l) does not impact on the several and not joint obligations of Owner and Beneficial Owner for indemnification as set out in this Article VIII.

Section 8.04 Limitations on Indemnity Payments.

(a) Basket for Losses of Purchaser Indemnified Parties. Seller shall not be liable under Section 8.02(a) unless the aggregate Losses incurred by the Purchaser Indemnified Parties with respect to all matters for which indemnification is to be provided under Section 8.02(a) exceed £150,000 (the "Basket Amount . If and when such Basket Amount is met, then Seller will be liable under Section 8.02(a) for all such Losses (including Losses under the Basket Amount).

(b) Caps on Losses of the Purchaser Indemnified Parties. The aggregate amount required to be paid by Seller under Section 8.02(a), other than with respect to any inaccuracies in or breaches of the Fundamental Representations, shall not exceed £2,5000,000 (the "General Cap"). The aggregate amount required to be paid by Seller under Section 8.02(a) with respect to inaccuracies in or breaches of the Fundamental Representations shall not exceed the Purchase Price received by Seller (of which the excess over the Cash Purchase Price, in the event that the Closing Shares have not been sold by Seller, may be settled at the Owner's discretion, by way of return to Purchaser of the relevant number of such Closing Shares valued at the date of the Closing (to the extent required to address any outstanding indemnity obligation)).

(c) Exceptions to Basket and Cap. Notwithstanding anything to the contrary contained herein, (i) the limitations set forth in Section 8.04(a) shall not apply to Losses by reason of, resulting from or arising out of any breach of any Fundamental Representation, (ii) the limitations set forth in Section 8.04(a) and Section 8.04(b) shall not apply to Losses by reason of, resulting from or arising out of any claims of fraud, and (iii) no indemnification payment made by Seller by reason of, resulting from or arising out of, any breach of any Fundamental Representation shall be considered in determining whether the Basket Amount or the General Cap has been exceeded.

(d) Covered by Post-Closing Statement. Seller shall not be required to indemnify, defend or hold harmless any Purchaser Indemnified Party against, or reimburse any Purchaser Indemnified Party for, any Losses to the extent that such Losses are included in the Current Liabilities as of the Measurement Time or in the Overdue Liabilities, in each as reflected on the final Post-Closing Statement.

(e) Third Party Recoveries. Payments by Seller in respect of any Loss will be limited to the amount of such Loss that remains after deducting therefrom any third party insurance proceeds, indemnification payments (other than from Seller) and other third party recoveries actually received by the Purchaser Indemnified Party in respect of any such claim, less any related costs and expenses. Notwithstanding the foregoing, in no event will any Purchaser Indemnified Party be required to seek recovery of any such Loss under its insurance policies or from any other Person.

(f) Proportional Limitation. Except in the event of fraud by Seller or Company, in no event shall the indemnification obligations of Owner or Beneficial Owner pursuant to this Article VIII exceed the portion of the Purchase Price actually received by Owner or Beneficial Owner, as applicable.

Section 8.05 Materiality Qualifiers. Notwithstanding anything to the contrary contained in this Article VIII, for purposes of determining (a) whether a breach of a representation or warranty of Company or Seller exists for purposes of Section 8.02(a), (b) the amount of Losses arising from such a breach for which the Purchaser Indemnified Parties are entitled to indemnification under Section 8.02(a) and (c) in the case of representations and warranties that are not Fundamental Representations, whether the Basket Amount has been exceeded, each representation and warranty of Company and Seller shall be read without giving effect to any qualification that is based on materiality, including the words "material," "Material Adverse Effect," "in any material respect" and other uses of the word "material" or words of similar meaning (and shall be treated as if such words were deleted from such representation or warranty).

Section 8.06 Indemnification as Sole Remedy. Following the Closing, except as set forth in Section 6.01 (*Agreements Regarding Tax Matters*), and Section 9.12 (*Specific Performance*), the indemnification provided for in this Article VIII shall be the sole and exclusive remedy and recourse for any breach of this Agreement. Notwithstanding the foregoing or anything else in this Agreement to the contrary, (a) in the case of fraud by Seller or Company, the Purchaser Indemnified Parties shall have all remedies available under this Agreement or otherwise at Law without giving effect to any of the limitations or waivers contained herein, and (b) nothing herein shall limit any Party's right to seek and obtain equitable remedies with respect to any covenant or agreement contained in any Transaction Document.

Section 8.07 Investigation. Notwithstanding anything to the contrary contained herein, if the Transactions are consummated, the Purchaser Indemnified Parties expressly reserve the right to seek indemnity or other remedy for any Losses arising out of or relating to any breach of any representation, warranty or covenant of Company or Seller contained in this Agreement or any certificate delivered by Company or Seller pursuant to this Agreement, notwithstanding (a) any investigation by, disclosure to or knowledge of Purchaser or any of its Affiliates or the directors, officers, employees, consultants, financial advisors, counsel, accountants and other agents of Purchaser or any of its Affiliates in respect of any fact or circumstances that reveals the occurrence of any such breach, whether before or after the execution and delivery of this Agreement or (b) Parent's or Acquisition Sub's participation in the Closing.

Section 8.08 Satisfaction of Indemnification Claims. The Purchaser Indemnified Parties shall be entitled to seek recovery for satisfaction of claims for indemnification (including claims in respect of Fundamental Representations) directly from the Seller. If any amount owed under this Article VIII is not paid within ten (10) days of Seller and the Purchaser Indemnified Parties agreeing such amount is due or upon a final adjudication determined by a court of competent jurisdiction that such amount is due, Seller shall reimburse the Purchaser Indemnified Party for any and all costs or expenses of any nature or kind whatsoever (including reasonable legal fees) incurred in seeking to collect such amount under this Article VIII, and no limitation in this Article VIII shall apply to any such interest or reimbursement.

Section 8.09 Waiver of Contribution. Seller hereby irrevocably waives and releases any right of contribution, subrogation or any similar right against any Purchaser Indemnified Party in respect of matters that are or may become the subject of claims for indemnification hereunder and any indemnification payments that Seller may, at any time, be required to make to any Purchaser Indemnified Party pursuant to this Agreement.

Section 8.10 Tax Treatment of Payments. All indemnification payments made pursuant to this Agreement shall be treated by Purchaser and Company, to the extent permitted by Law, as an adjustment to the Purchase Price for income Tax purposes.

ARTICLE IX
MISCELLANEOUS

Section 9.01 Notices. All notices and other communications made pursuant to or under this Agreement shall be in writing and shall be deemed to have been duly given or made (a) when personally delivered, (b) as of the date transmitted when transmitted by electronic mail or facsimile, (c) one Business Day after deposit with a nationally recognized overnight courier service, or (d) three Business Days after the mailing if sent by registered or certified mail, postage prepaid, return receipt requested. All notices and other communications under this Agreement shall be delivered to the addresses set forth below, or such other address as such Party may have given to the other Parties by notice pursuant to this Section 9.01 (or in the case of counsel, to such other readily ascertainable business address as such counsel may hereinafter maintain):

If to Company:	Photo Paper Direct Ltd Unit 8, Shakespeare Industrial Estate Watford, WD24 5RR United Kingdom Attention: Josef Eitan E-Mail: [***]
with a copy to (which shall not constitute notice):	Herzog, Fox & Neeman 4 Weizmann Street Tel Aviv 64239 Attention: Janet Pahima, Adv. E-Mail: [***]
If to Seller:	20 Beit El Street Apt. 90 Tel Aviv E-Mail: [***]
with a copy to (which shall not constitute notice):	Herzog, Fox & Neeman 4 Weizmann Street Tel Aviv 64239 Attention: Janet Pahima, Adv. E-Mail: [***]
If to Purchaser:	Aterian, Inc. 37 E. 18th Street, 7th Floor New York, NY 10003 Attention: Christopher Porcelli, Associate General Counsel E-Mail: [***]
with a copy to (which shall not constitute notice):	Kluk Farber Law PLLC 166 Mercer Street, Suite 6B New York, NY 10012 Attention: Agatha Kluk Eitan Hoenig E-Mail: [***] [***]

Section 9.02 Expenses. Except as otherwise provided herein, all fees and expenses incurred in connection with or related to the Transaction Documents and the Transactions shall be paid by the Party incurring such fees or expenses, whether or not such transactions are consummated.

Section 9.03 Entire Agreement. All references in this Agreement or the Ancillary Agreements shall include all Exhibits and Schedules hereto. This Agreement, the Confidentiality Agreement and the Ancillary Agreements constitute the entire agreement of the Parties relating to the subject matter hereof and thereof and supersede all prior agreements or understandings between the Parties with respect to such subject matter. Each of Company and Seller acknowledges and agrees that neither Purchaser nor any of its Affiliates or representatives are making, and neither Company nor Seller is relying upon, any representations, warranties or other statements by Purchaser or any of its Affiliates or representatives with respect to the conduct and operations (financial or otherwise) of Company by Purchaser and its Affiliates following the Closing. This Agreement supersedes the Term Sheet in its entirety, and the Term Sheet shall have no further force and effect.

Section 9.04 No Third-Party Beneficiaries. This Agreement shall inure exclusively to the benefit of and be binding upon the Parties, any Person entitled to indemnification under Article VIII with respect to the provisions therein, and their respective successors, permitted assigns, executors and legal representatives. Nothing in this Agreement, express or implied, is intended to confer on any Person (other than the Parties or their respective successors and permitted assigns, any Person entitled to indemnification under Article VIII with respect to the provisions therein) any rights, remedies, obligations or liabilities under or by reason of this Agreement.

Section 9.05 Assignments. This Agreement will be binding upon, inure to the benefit of and be enforceable by the Parties and their respective successors and permitted assigns, but will not be assignable or delegable by any Party, by operation of Law or otherwise, without the prior written consent of the other Parties; provided, that nothing in this Agreement shall or is intended to limit the ability of Parent or Acquisition Sub to assign its rights or delegate its responsibilities, liabilities and obligations under this Agreement, in whole or in part, without the consent of Company or Seller (a) to any Affiliate of Parent or Acquisition Sub, (b) in connection with a change of control of Acquisition Sub or Parent or (c) in the event of a sale of all or substantially all of the assets of Acquisition Sub or Parent. Any attempted assignment in violation of this Section 9.05 shall be void *ab initio*.

Section 9.06 Amendment; Waiver. This Agreement may be amended, modified or waived only by the written agreement of the Parties. No failure or delay of any Party to exercise any right or remedy given to such Party under this Agreement or otherwise available to such Party or to insist upon strict compliance by any other Party with its obligations hereunder and no single or partial exercise of any such right or power shall constitute a waiver of any Party's right to demand exact compliance with the terms hereof. Any written waiver shall be limited to those items specifically waived therein and shall not be deemed to waive any future breaches or violations or other non-specified breaches or violations unless, and to the extent, expressly set forth therein.

Section 9.07 Agreement Controls. In the event that a provision of any Ancillary Agreement is inconsistent with, conflicts with or contradicts any term of this Agreement, the terms of this Agreement shall prevail.

Section 9.08 Severability. If any term or provision of this Agreement is held invalid, illegal or unenforceable in any respect under any applicable Law, the validity, legality and enforceability of all other terms and provisions of this Agreement will not in any way be affected or impaired. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated by this Agreement be consummated as originally contemplated to the greatest extent possible.

Section 9.09 Governing Law. This Agreement shall be construed and enforced in accordance with, and all questions concerning the construction, validity, interpretation, inducement to enter and/or performance of this Agreement (whether related to breach of contract, tortious conduct or otherwise and whether now existing or hereafter arising) shall be governed by, the internal Laws of the State of New York without giving effect to any Law that would cause the Laws of any jurisdiction other than the State of New York to be applied; provided however, that all questions regarding corporate matters regarding the Company shall be governed in accordance with the laws of England and Wales. Purchaser shall cause the Purchaser Indemnified Parties, to comply with the foregoing as though such Purchaser Indemnified Parties were a Party to this Agreement.

Section 9.10 Consent to Jurisdiction; Service of Process; Waiver of Jury Trial.

(a) Each Party agrees that any Proceeding arising out of or relating to this Agreement or any transaction contemplated hereby shall be brought exclusively, in the case of a Proceeding commenced by Purchaser, in the courts of England, and in the case of a Proceeding commenced by Seller, in the United States District Court for the Southern District of New York located in New York County, New York, or, to the extent such court does not have jurisdiction, the state courts located in New York County, New York, and each of the Parties hereby submits to the exclusive jurisdiction of such courts for itself and with respect to its property, generally and unconditionally, for the purpose of any such Proceeding. A final judgment in any such Proceeding may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by Law. Each Party agrees not to commence any Proceeding arising out of or relating to this Agreement or the transactions contemplated hereby except in the courts described above (other than actions in any court of competent jurisdiction to enforce any judgment, decree or award rendered by any such court as described above), irrevocably and unconditionally waives any objection to the laying of venue of any Proceeding arising out of or relating to this Agreement or the transactions contemplated hereby in any such court, and hereby irrevocably and unconditionally waives and agrees not to plead or claim in any such court that any such Proceeding brought in any such court has been brought in an inconvenient forum or does not have jurisdiction over any Party. Each Party agrees that service of any process, summons, notice or document by registered mail to such Party’s respective address set forth herein shall be effective service of process for any such Proceeding.

(b) EACH PARTY HEREBY IRREVOCABLY WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY PROCEEDING OR COUNTERCLAIM (WHETHER BASED ON CONTRACT, TORT, STATUTE OR OTHERWISE) ARISING OUT OF OR RELATING TO THIS AGREEMENT, THE TRANSACTIONS CONTEMPLATED HEREBY OR THE ACTIONS OF SUCH PARTY IN THE NEGOTIATION, ADMINISTRATION, PERFORMANCE AND ENFORCEMENT HEREOF. EACH PARTY FURTHER WAIVES ANY RIGHT TO SEEK TO CONSOLIDATE ANY PROCEEDING IN WHICH A JURY TRIAL HAS BEEN WAIVED WITH ANY OTHER PROCEEDING IN WHICH A JURY TRIAL CANNOT OR HAS NOT BEEN WAIVED. EACH PARTY CERTIFIES AND ACKNOWLEDGES THAT (I) NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED OR WARRANTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER, (II) EACH PARTY UNDERSTANDS AND HAS CONSIDERED THE IMPLICATIONS OF THIS WAIVER, (III) EACH PARTY MAKES THIS WAIVER VOLUNTARILY AND (IV) EACH PARTY HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 9.10.

Section 9.11 Admissibility into Evidence. All offers of compromise or settlement among the Parties or their officers, directors, managers, employees, attorneys, accountants, consultants, financial advisors or other agents in connection with the attempted resolution of any dispute under this Agreement shall be deemed to have been delivered in furtherance of a settlement and shall be exempt from discovery and production and shall not be admissible in evidence (whether as an admission or otherwise) in any Proceeding for the resolution of such dispute.

Section 9.12 Specific Performance. The Parties agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. Accordingly, each of the Parties shall be entitled to enforce specifically the provisions of this Agreement, including obtaining an injunction or injunctions to prevent breaches or threatened breaches of this Agreement, in any court designated to resolve disputes concerning this Agreement (or, if such court lacks subject matter jurisdiction, in any appropriate state, federal or other court), this being in addition to any other remedy to which such Party is entitled at Law or in equity. Each Party further agrees not to assert and waives (a) any defense in any action for specific performance that a remedy at Law would be adequate and (b) any requirement under any Law to post security or provide indemnity as a prerequisite to obtaining equitable relief.

Section 9.13 Other Remedies. Except to the extent set forth otherwise in this Agreement, all remedies under this Agreement expressly conferred upon a Party will be deemed cumulative with and not exclusive of any other remedy conferred hereby, or at Law or in equity upon such Party, and the exercise by a Party of any one remedy will not preclude the exercise of any other remedy.

Section 9.14 Rules of Construction. The following rules of construction shall govern the interpretation of this Agreement: (a) all references to Articles, Sections, Exhibits or Schedules are to Articles, Sections, Exhibits or Schedules in this Agreement; (b) each accounting term not otherwise defined in this Agreement has the meaning assigned to it in accordance with GAAP; (c) unless the context otherwise requires, words in the singular or plural include the singular and plural, and pronouns stated in either the masculine, the feminine or neuter gender shall include the masculine, feminine and neuter; (d) whenever the words “include,” “includes” or “including” are

used in this Agreement they shall be deemed to be followed by the words "but not limited to;" (e) the word "extent" in the phrase "to the extent" shall mean the degree to which a subject or other thing extends, and such phrase shall not simply mean "if;" (f) references to any statute, rule, regulation or form (including in the definition thereof) shall be deemed to include references to such statute, rule, regulation or form as amended, modified, supplemented or replaced from time to time (and, in the case of any statute, include any rules and regulations promulgated under such statute), and all references to any section of any statute, rule, regulation or form include any successor to such section; (g) when calculating the period of time before which, within which or following which any act is to be done or step taken pursuant to this Agreement, the date that is referenced in beginning the calculation of such period will be excluded (for example, if an action is to be taken within two days after a triggering event and such event occurs on a Tuesday, then the action must be taken on or prior to Thursday); if the last day of such period is a non-Business Day, the period in question will end on the next succeeding Business Day; (h) time is of the essence with regard to all dates and time periods set forth or referred to in this Agreement; (i) the subject headings of Articles and Sections of this Agreement are included for purposes of convenience of reference only and shall not affect the construction or interpretation of any of its provisions; (j) (i) the terms "hereof," "herein," "hereby," "hereto," and derivative or similar words refer to this entire Agreement, including the Schedules and Exhibits hereto and (ii) the term "any" means "any and all;" (k) (i) references to "days" means calendar days unless Business Days are expressly specified, (ii) references to "$" mean U.S. dollars and (iii) references to "£" mean U.K. pounds; (l) the Parties intend that each representation, warranty, covenant and agreement contained herein shall have independent significance, and if any Party has breached any representation, warranty, covenant or agreement contained herein in any respect, the fact that there exists another representation, warranty, covenant or agreement relating to the same or similar subject matter that the Party has not breached shall not detract from or mitigate the fact that the Party is in breach of the first representation, warranty, covenant or agreement; (m) all uses of "written" contained in Article III, Article IV, and Article V shall be deemed to include information transmitted via e-mail, facsimile or other electronic transmission; (n) for purposes of Article III and Article IV, information shall be deemed to have been "made available" to Purchaser only if such information was posted (i) to the electronic data room hosted by iDeals Solutions Group maintained by Company under the project name "Photo Paper Direct" at https://www4.idealsvdr.com/v3/Photo_Paper_Direct/#/ in a manner accessible and reviewable by Purchaser at least one Business Days prior to the Closing Date (and not removed therefrom during such one Business Day period) or (ii) to Company's website at https://www.photopaperdirect.us; (o) any drafts of this Agreement or any Ancillary Agreement circulated by or among the Parties prior to the final fully executed drafts shall not be used for purposes of interpreting any provision of this Agreement or any Ancillary Agreement, and each of the Parties agrees that no Party or Purchaser Indemnified Party shall make any claim, assert any defense or otherwise take any position inconsistent with the foregoing in connection with any dispute or Proceeding among any of the foregoing or for any other purpose; and (p) the Parties have participated jointly in the negotiation and drafting of this Agreement and the Ancillary Agreements; in the event an ambiguity or question of intent or interpretation arises, this Agreement and the Ancillary Agreements shall be construed as if drafted jointly by the Parties, and no presumption or burden of proof shall arise favoring or disfavoring any Party by virtue of the authorship of any of the provisions of this Agreement or any Ancillary Agreement and the language used in it will be deemed to be the language chosen by the Parties to express their mutual intent.

Section 9.15 Counterparts; Deliveries. This Agreement may be executed in multiple counterparts, each of which shall be deemed to be an original but all of which shall constitute one and the same agreement. This Agreement may be executed by facsimile or electronic (.pdf) signature and a facsimile or electronic (.pdf) signature shall constitute an original for all purposes.

[*The remainder of this page is intentionally left blank.*]

IN WITNESS WHEREOF, the Parties have executed this Stock Purchase Agreement as of the date first written above.

PARENT:

ATERIAN, INC.

/s/ Yaniv Sarig
Name: Yaniv Sarig
Title: Chief Executive Officer

ACQUISITION SUB:

TRUWEO, LLC

/s/ Yaniv Sarig
Title: Yaniv Sarig
Name: Chief Executive Officer

COMPANY:

PHOTO PAPER DIRECT LTD

/s/ Josef Eitan
Title: Josef Eitan
Name: Director

OWNER:

/s/ Josef Eitan
Josef Eitan

BENEFICIAL OWNER:

/s/ Ran Nir
Ran Nir

[*Signature Page to Aterian – PPD Stock Purchase Agreement*]

Exhibit 10.1

VOTING AND STANDSTILL AGREEMENT

This VOTING AND STANDSTILL AGREEMENT (as amended, restated, supplemented or otherwise modified in accordance with Section 9.3, this "**Agreement**") is made and entered into effective as of May 5, 2021 by and between Aterian, Inc., a Delaware corporation (the "**Company**"), and Squatty Potty, LLC, a Delaware limited liability company (the "**Stockholder**").

RECITALS

WHEREAS, pursuant to that certain Asset Purchase Agreement, dated as of even date herewith (the "**Purchase Agreement**"), by and among the Company, Truweo, LLC, a Delaware limited liability company and wholly owned subsidiary of the Company, the Stockholder and, only for the purposes of certain sections thereof, the Key Holders, the Company issued zero shares of its common stock, $0.0001 par value per share (the "**Common Stock**"), to the Stockholder (such shares, together with any Common Stock beneficially owned by the Stockholder prior to the date hereof, being collectively referred to herein as the "**Existing Securities**") for the benefit of the Stockholder thereunder;

WHEREAS, as of the date hereof, the Stockholder will file a Schedule 13D or 13G, as applicable, under the U.S. Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), with the U.S. Securities and Exchange Commission (the "**SEC**"), indicating the Stockholder's Beneficial Ownership of the Existing Securities, representing approximately 0% of the total outstanding Voting Securities (as defined below) as of the date hereof; and

WHEREAS, as a condition to entering into the Purchase Agreement, the Company has required that the Stockholder enter into this Agreement, and the Stockholder, in order to induce the Company to enter into the Purchase Agreement, desires to enter into this Agreement.

AGREEMENT

In consideration of the foregoing premises and the mutual covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Definitions.

1.1 Defined Terms. As used in this Agreement, the following terms shall have the following meanings:

(a) "**Affiliate**" and "**Associate**" shall have the respective meanings ascribed to such terms in Rule 12b-2 of the General Rules and Regulations under the Exchange Act.

(b) A Person shall be deemed the "**Beneficial Owner**" or to have "**Beneficial Ownership**" of and shall be deemed to "beneficially own" any securities which such Person or any of such Person's Affiliates or Associates is deemed to beneficially own, within the meaning of Rules 13d-3 and 13d-5 of the General Rules and Regulations under the Exchange Act.

Notwithstanding anything in this definition of Beneficial Ownership to the contrary, the phrase, "then outstanding," when used with reference to a Person's Beneficial Ownership of securities of the Company, shall mean the number of such securities then issued and outstanding together with the number of such securities not then actually issued and outstanding which such Person would be deemed the Beneficial Owner hereunder.

(c) "**Company Acquisition Transaction**" shall mean (i) the commencement (within the meaning of Rule 14d-2 of the General Rules and Regulations under the Exchange Act) of a tender or exchange offer by a third party for at least fifteen percent (15%) of the then outstanding capital stock of the Company or any direct or indirect Subsidiary of the Company, (ii) the commencement by a third party of a proxy contest with respect to the election of any directors of the Company, (iii) any sale, license, lease, exchange, transfer, disposition or acquisition of any portion of the business or assets of the Company or any direct or indirect Subsidiary of the Company (other than in the ordinary course of business), or (iv) any merger, consolidation, business combination, share exchange, reorganization, recapitalization, restructuring, liquidation, dissolution or similar transaction or series of related transactions involving the Company or any direct or indirect Subsidiary of the Company.

(d) "**Group**" shall have the meaning set forth in Section 13(d)(3) of the Exchange Act and Rule 13d-5 of the General Rules and Regulations under the Exchange Act.

(e) "**Subsidiary**" of any Person shall mean any corporation or other entity of which a majority of the voting power of the voting equity securities or equity interest is owned, directly or indirectly, by such Person.

(f) "**Voting Securities**" shall mean the shares of Common Stock; *provided*, *however*, that, "Voting Securities," when used in this Agreement in connection with a specific reference to any Person other than the Company, shall mean the capital stock (or equity interest) with the greatest voting power of such other Person or, if such other Person is a Subsidiary of another Person, the Person or Persons which ultimately control such first-mentioned Person.

1.2 Capitalized Terms. All other capitalized terms used herein but not defined shall have the meanings ascribed to such terms in the Purchase Agreement.

2. Material Non-Public Information; Reporting Obligations.

2.1 Stockholder acknowledges that it is aware, and will advise each of its Representatives who are informed as to the matters that are the subject of the Purchase Agreement and this Agreement, that the United States securities laws may prohibit any person who has received from an issuer material, non-public information from purchasing or selling securities of such issuer or from communicating such information to any other person under circumstances in which it is reasonably foreseeable that such person is likely to purchase or sell such securities.

2.2 Stockholder acknowledges and agrees that it shall (a) be solely responsible for the filing of (i) any Forms 3, 4 and 5 in accordance with Section 16(a) of the Exchange Act and the rules promulgated thereunder and (ii) any Schedule 13D or 13G, as applicable, under the Exchange Act and the rules promulgated thereunder, in each case, in respect of its ownership of a registered class of securities of the Company, and (b) timely file such forms and schedules or amendments thereto with the SEC and any stock exchange or similar authority, as required.

3. Standstill.

3.1 Standstill Provisions. Commencing on the date of this Agreement and until the date that is the second (2nd) anniversary of the date of this Agreement (the "**Standstill Period**"), the Stockholder agrees, on behalf of itself and its Affiliates and Associates, that for so long as such Persons collectively Beneficially Own any Voting Securities, except pursuant to a negotiated transaction with the Stockholder approved by the board of directors of the Company (the "**Board**"), the Stockholder will not (and will cause its Affiliates and Associates not to), in any manner, directly or indirectly:

(a) make, effect, initiate, cause or participate in (i) any acquisition of Beneficial Ownership of any securities of the Company or any securities of any Subsidiary or other Affiliate or Associate of the Company if such acquisition would result in the Stockholder and its Affiliates and Associates collectively Beneficially Owning fifteen percent (15%) or more of the then outstanding Voting Securities, (ii) any Company Acquisition Transaction, (iii) any "solicitation" of "proxies" (as those terms are defined in Rule 14a-1 of the General Rules and Regulations under the Exchange Act) or consents with respect to any securities of the Company or (iv) frustrate or seek to frustrate any Company Acquisition Transaction proposed or endorsed by the Company;

(b) recommend, nominate or seek to nominate any Person to the Board or otherwise act, alone or in concert with others, to seek to control or influence the management, the Board or policies or governance of the Company;

(c) take any action which might force the Company to make a public announcement regarding any of the types of matters set forth in subsection (a) of this Section 3.1;

(d) request or propose that the Company (or its directors, officers, employees or agents), directly or indirectly, amend or waive any provision of this Section 3.1, including this subsection (d) or any provisions of Section 2 of this Agreement;

(e) demand an inspection of the Company's books and records whether pursuant to Section 220 of the General Corporation Law of the State of Delaware or otherwise;

(f) institute, solicit, assist or join any litigation, arbitration or other proceeding against or involving the Company or any of its current or former directors or officers (including derivative actions) other than to enforce the provisions of this Agreement or any rights available to the Stockholder under the Purchase Agreement and the Transaction Documents;

(g) agree or offer to take, or encourage or propose (publicly or otherwise) the taking of, any action referred to in subsections (a), (b), (c), (d), (e) or (f) of this Section 3.1;

(h) assist, induce or encourage any other Person to take any action referred to in subsections (a), (b), (c), (d),(e) or (f) of this Section 3.1;

(i) enter into any discussions, negotiations, agreements, understandings or arrangements with any third party with respect to the taking of any action referred to in subsections (a), (b), (c), (d),(e) or (f) of this Section 3.1; or

(j) take any action challenging the validity or enforceability of this Section 3.1 of this Agreement unless the Company is challenging the validity or enforceability of this Agreement.

3.2 Termination of Standstill Provisions.

(a) Subject to Section 3.2(b), the provisions of Section 3.1 shall terminate and be of no further force and effect in the event the Board shall have endorsed, approved, recommended, or resolved to endorse, approve or recommend a Company Acquisition Transaction.

(b) All of the provisions of Section 3.1 shall be reinstated and shall apply in full force according to their terms in the event that: (i) if the provisions of Section 3.1 shall have terminated as the result of a tender offer, and such tender offer (as originally made or as amended or modified) shall have terminated (without closing) prior to the commencement of a tender offer by the Stockholder or any of its Affiliates or Associates that would have been permitted to be made pursuant to Section 3.2(a) as a

result of such third-party tender offer, (ii) any tender offer by the Stockholder or any of its Affiliates or Associates (as originally made or as extended or modified) that was permitted to be made pursuant to Section 3.2(a) shall have terminated (without closing); or (iii) if the provisions of Section 4.1 shall have terminated as a result of any action by the Board referred to in Section 3.2(a), and the Board shall have determined not to take any of such actions (and no such transaction considered by the Board shall have closed) prior to the commencement of a tender offer by the Stockholder that would have been permitted to be made pursuant to Section 3.2(a) as a result of the initial determination of the Board referred to in Section 3.2(a).

(c) Upon reinstatement of the provisions of Section 3.1, the provisions of this Section 3.2 shall continue to govern for the remainder of the Standstill Period in the event that any of the events described in Section 3.2(a) shall occur. Upon the closing of any tender offer for or acquisition of any securities of the Company or rights or options to acquire any such securities by the Stockholder or any of its Affiliates or Associates that would have been prohibited by the provisions of Section 3.1 but for the provisions of this Section 3.2, all provisions of Section 3.1 and Section 3.2 shall terminate.

3.3 Sales of Shares of Common Stock. During the Standstill Period, the Stockholder will only sell shares of Common Stock (a) in open market transactions on The Nasdaq Stock Market, LLC or on such principal stock exchange as the Common Stock is then listed for trading; or (b) in private transactions so long as any sale in a private transaction is not to any Person or Group who the Stockholder reasonably believes after due inquiry Beneficially Owns or as a result of such transaction would Beneficially Own more than five percent (5%) of the then outstanding Voting Securities.

4. Voting of Stockholder Shares.

4.1 Shares Held Subject to Agreement. Until the Termination Date, for so long as the Stockholder and its Affiliates and Associates collectively Beneficially Own any Common Stock or any other Voting Securities, the Stockholder agrees to hold all such Common Stock or other Voting Securities registered in such Stockholder's name or Beneficially Owned by such Stockholder as of the date hereof and any and all other voting securities of the Company legally or beneficially acquired by them after the date hereof (hereinafter collectively referred to as the "**Stockholder Shares**") subject to, and to vote the Stockholder Shares in accordance with, the provisions of this Agreement.

4.2 Vote Required. At all times prior to the Termination Date, the Stockholder shall timely vote in person or by proxy at each annual or special meeting of the Company's stockholders (or shall consent to vote pursuant to an action by written consent of the holders of capital stock of the Company, as and if permitted by the Company's bylaws) all such Stockholder Shares in accordance with the recommendations of the Board on each matter presented to the Company's stockholders at such meeting or consent solicitation as set forth in the applicable definitive proxy statement, including without limitation the election, removal and/or replacement of directors.

4.3 Irrevocable Proxy. The Stockholder hereby constitutes and appoints the Company with full power of substitution, as the proxy of such stockholder with respect to all matters in accordance with Section 4, and hereby authorizes the Company to represent and to vote, if and only if such stockholder: (a) fails to vote; or (b) attempts to vote (whether by proxy, in person or by written consent), in a manner which is inconsistent with the terms of this Agreement, all of the Stockholder Shares in accordance with the recommendation of the Board on each matter presented to the Company's stockholders at any annual or special meeting of the Company's stockholders or consent solicitation, in each case, as required pursuant to the terms and provisions of this Agreement. The proxy granted pursuant to the immediately preceding sentence is coupled with an interest and shall be irrevocable unless and until this Agreement terminates pursuant to Section 8 hereof. The Stockholder hereby revokes any and all previous proxies with respect to the Stockholder Shares and shall not hereafter, unless and until this Agreement terminates

pursuant to Section 8 hereof, purport to grant any other proxy or power of attorney with respect to any of the Stockholder Shares, deposit any of such Stockholder Shares into a voting trust or enter into any agreement (other than this Agreement), arrangement or understanding with any Person, directly or indirectly, to vote, grant any proxy or give instructions with respect to the voting of any of such Stockholder Shares, in each case, with respect to any matter presented to the Company's stockholders for approval at any annual or special meeting of the Company's stockholders or written consent.

5. Representations and Warranties.

5.1 Each party hereto represents and warrants to the other as follows:

(a) Authorization. Such party has the requisite power, authority and legal capacity to execute, deliver and perform and to consummate the transactions contemplated by this Agreement. This Agreement constitutes a legal, valid and binding obligation of such party, enforceable against such party in accordance with its terms, except as such enforcement may be limited by any applicable bankruptcy, insolvency, moratorium or similar law affecting creditors' rights generally.

(b) No Consents. No consent of any Governmental Authority or other Person is required to be obtained by such party in connection with the execution and delivery by such party of this Agreement.

5.2 The Stockholder represents and warrants to the Company that as of the date hereof, the Stockholder and its Affiliates and Associates collectively Beneficially Own zero shares of Common Stock and have no other interest in the capital stock of the Company.

5.3 The Stockholder understands and acknowledges that the Company is entering into the Purchase Agreement in reliance upon the Stockholder's execution, delivery and performance of this Agreement.

6. Legend.

6.1 Concurrently with the execution of this Agreement, and in addition to any other legends provided for in the Purchase Agreement, there shall be imprinted or otherwise placed on the book-entry statements representing the Stockholder Shares the following restrictive legend (the "**Legend**"):

"THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO THE TERMS AND CONDITIONS OF A VOTING AND STANDSTILL AGREEMENT WHICH PLACES CERTAIN RESTRICTIONS ON VOTING OF THE SHARES REPRESENTED HEREBY. ANY PERSON ACCEPTING ANY INTEREST IN SUCH SHARES SHALL BE DEEMED TO AGREE TO AND SHALL BECOME BOUND BY ALL THE PROVISIONS OF SUCH AGREEMENT. A COPY OF SUCH VOTING AND STANDSTILL AGREEMENT WILL BE FURNISHED TO THE RECORD HOLDER OF THIS CERTIFICATE WITHOUT CHARGE UPON WRITTEN REQUEST TO THE COMPANY AT ITS PRINCIPAL PLACE OF BUSINESS."

6.2 The Stockholder agrees that, during the term of this Agreement, it will not remove, and will not permit to be removed (upon registration of transfer, reissuance of otherwise), the Legend from any such book-entry statements and will place or cause to be placed the Legend on any new book-entry statements issued to represent Stockholder Shares theretofore represented by a book-entry statements carrying the Legend. The Stockholder will not request that any of the Stockholder Shares be converted from book-entry format to certificated shares.

7. Successors. The provisions of this Agreement shall be binding upon the successors in interest to any of the Stockholder Shares. The Company shall not permit the transfer of any of the Stockholder Shares on its books or issue a new certificate representing any of the Stockholder Shares unless and until the Person to whom such security is to be transferred shall have executed a written agreement, substantially in the form of this Agreement, pursuant to which such Person becomes a party to this Agreement and agrees to be bound by all the provisions hereof as if such Person were a Stockholder hereunder.

8. Termination. This Agreement shall continue in full force and effect from the date hereof through the earliest of the following dates, on which date (the ***"Termination Date"***) it shall terminate in its entirety on the earlier of: (a) the date that is the second (2nd) anniversary of the date of this Agreement and (b) the date of the closing of a sale, lease, or other disposition of all or substantially all of the Company's assets or the Company's merger into or consolidation with any other corporation or other entity, or any other corporate reorganization, in which the holders of the Company's outstanding voting stock immediately prior to such transaction own, immediately after such transaction, securities representing less than 50% of the voting power of the corporation or other entity surviving such transaction; *provided*, *however*, that this clause "(b)" shall not apply to a merger effected exclusively for the purpose of changing the domicile of the Company; and (c) the date as of which this Agreement is terminated by the written consent of the Company and the holders of at least 75% of the Stockholder Shares. Additionally, this Agreement shall terminate with respect to any of the Stockholder Shares that are sold in open market transactions on The Nasdaq Stock Market, LLC or on such principal stock exchange as the Common Stock is then listed for trading, effective as of each such sale.

9. Miscellaneous.

9.1 Specific Performance. The parties hereto agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. Accordingly, each of the parties hereto shall be entitled to enforce specifically the provisions of this Agreement, including obtaining an injunction or injunctions to prevent breaches or threatened breaches of this Agreement, in any court designated to resolve disputes concerning this Agreement (or, if such court lacks subject matter jurisdiction, in any appropriate state or federal court), this being in addition to any other remedy to which such party is entitled at law or in equity. Each party hereto further agrees not to assert and waives (a) any defense in any action for specific performance that a remedy at Law would be adequate and (b) any requirement under any Law to post security or provide indemnity as a prerequisite to obtaining equitable relief.

9.2 Expenses. If any action at law or in equity is necessary to enforce or interpret the terms of this Agreement, the prevailing party hereto shall be entitled to reasonable attorneys' fees, costs and necessary disbursements in addition to any other relief to which such party may be entitled.

9.3 Amendment and Waiver. Any provision of this Agreement may be amended and the observance thereof may be waived (either generally or in a particular instance and either retroactively or prospectively) only with the written consent of the Company and the holders of at least 75% of the Stockholder Shares. No failure or delay of any party hereto to exercise any right or remedy given to such party under this Agreement or otherwise available to such party or to insist upon strict compliance by any other party with its obligations hereunder and no single or partial exercise of any such right or power shall constitute a waiver of any party hereto's right to demand exact compliance with the terms hereof. Any written waiver shall be limited to those items specifically waived therein and shall not be deemed to waive any future breaches or violations or other non-specified breaches or violations unless, and to the extent, expressly set forth therein.

9.4 Notices. All notices and other communications made pursuant to or under this Agreement shall be in writing and shall be deemed to have been duly given or made (a) when personally delivered, (b) as of the date transmitted when transmitted by electronic mail, (c) one Business Day after deposit with a nationally recognized overnight courier service, or (d) three Business Days after the mailing if sent by registered or certified mail, postage prepaid, return receipt requested. All notices and other communications under this Agreement shall be delivered to the addresses set forth on the signature page hereto, or such other address as such party may have given to the other parties by notice pursuant to this Section 9.4.

9.5 Severability. If any term or provision of this Agreement is held invalid, illegal or unenforceable in any respect under any applicable Law, the validity, legality and enforceability of all other terms and provisions of this Agreement will not in any way be affected or impaired. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated by this Agreement be consummated as originally contemplated to the greatest extent possible.

9.6 Governing Law. This Agreement shall be construed and enforced in accordance with, and all questions concerning the construction, validity, interpretation, inducement to enter and/or performance of this Agreement (whether related to breach of contract, tortious conduct or otherwise and whether now existing or hereafter arising) shall be governed by, the internal laws of the State of Delaware, without giving effect to any law that would cause the laws of any jurisdiction other than the State of Delaware to be applied.

9.7 Consent to Jurisdiction; Service of Process; Waiver of Jury Trial.

(a) Each party hereto agrees that any Proceeding arising out of or relating to this Agreement shall be brought exclusively in any state or federal court located in New York County, State of New York and each of the Parties hereby submits to the exclusive jurisdiction of such courts for itself and with respect to its property, generally and unconditionally, for the purpose of any such Proceeding. A final judgment in any such Proceeding may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by Law. Each party hereto agrees not to commence any Proceeding arising out of or relating to this Agreement, except in the courts described above (other than actions in any court of competent jurisdiction to enforce any judgment, decree or award rendered by any such court in New York as described above), irrevocably and unconditionally waives any objection to the laying of venue of any Proceeding arising out of or relating to this Agreement in any such court, and hereby irrevocably and unconditionally waives and agrees not to plead or claim in any such court that any such Proceeding brought in any such court has been brought in an inconvenient forum or does not have jurisdiction over any party hereto. Each party hereto agrees that service of any process, summons, notice or document by U.S. registered mail to such party's respective address set forth herein shall be effective service of process for any such Proceeding.

(b) EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY PROCEEDING OR COUNTERCLAIM (WHETHER BASED ON CONTRACT, TORT, STATUTE OR OTHERWISE) ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE ACTIONS OF SUCH PARTY IN THE NEGOTIATION, ADMINISTRATION, PERFORMANCE AND ENFORCEMENT HEREOF. EACH PARTY HERETO FURTHER WAIVES ANY RIGHT TO SEEK TO CONSOLIDATE ANY PROCEEDING IN WHICH A JURY TRIAL HAS BEEN WAIVED WITH ANY OTHER PROCEEDING IN WHICH A JURY TRIAL CANNOT OR HAS NOT BEEN WAIVED. EACH PARTY HERETO CERTIFIES AND ACKNOWLEDGES THAT (I) NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED OR WARRANTED, EXPRESSLY OR OTHERWISE, THAT SUCH

OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER, (II) EACH PARTY UNDERSTANDS AND HAS CONSIDERED THE IMPLICATIONS OF THIS WAIVER, (III) EACH PARTY MAKES THIS WAIVER VOLUNTARILY AND (IV) EACH PARTY HERETO HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 9.7.

9.8 Entire Agreement. Except for the Purchase Agreement, this Agreement sets forth the entire understanding and agreement between the parties hereto with respect to the subject matter hereof.

9.9 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed to be an original but all of which shall constitute one and the same agreement. This Agreement may be executed by facsimile or electronic (.pdf) signature and a facsimile or electronic (.pdf) signature shall constitute an original for all purposes.

[*The remainder of this page is intentionally left blank.*]

IN WITNESS WHEREOF, the parties hereto have executed this Voting and Standstill Agreement as of the date first written above.

COMPANY:

ATERIAN, INC.

/s/ Yaniv Sarig
Name: Yaniv Sarig
Title: President and Chief Executive Officer

Address:
37 East 18th Street, 7th Floor
New York, NY 10003

STOCKHOLDER:

SQUATTY POTTY, LLC

/s/ Bernie Kropfelder
Name: Bernie Kropfelder
Title: Managing Member

Exhibit 10.2

CONSULTING AGREEMENT

This Consulting Agreement (this "Agreement") is entered into by and between Aterian Group, Inc. ("Service Recipient"), and Bernie Kropfelder (referred to herein as "Consultant") dated effective as of May 5, 2021 (the "Effective Date").

1. **Consulting Relationship**. During the term of this Agreement, Consultant will provide the consulting services (the "Services") to Service Recipient described on Exhibit A to this Agreement, unless Service Recipient chooses to not require any of the Services, until full performance of the Services pursuant to the terms hereof. Consultant shall use Consultant's commercially reasonable efforts to provide the Services in a manner reasonably satisfactory to Service Recipient.

2. **Fees**. As consideration for the Services to be provided by Consultant and subject to the terms and conditions hereof, Service Recipient shall pay to Consultant the amounts specified in Exhibit B attached to this Agreement at the times and in the manner specified therein (the "Fees").

3. **Expenses**. During the term of this Agreement, Service Recipient will reimburse Consultant for reasonable and necessary out-of-pocket expenses actually incurred by Consultant for travel and other reasonable expenditures directly related to the Services in accordance with Service Recipient's expense reimbursement policies for consultants, subject to Consultant's provision of documentation of the expenses reasonably satisfactory to Service Recipient and, in the case of a single expense or a group of related expenses that are individually or in the aggregate in excess of $2,000, advance written notice of a request for reimbursement pre-approved by Service Recipient.

4. **Trade Secrets; Intellectual Property Rights**.

(a) Proprietary Information. Consultant agrees during the term of this Agreement and thereafter that it will take all steps reasonably necessary to hold the Service Recipient's and its subsidiaries' (collectively, "Company Group") Proprietary Information (defined below) in trust and confidence, will not use Proprietary Information in any manner or for any purpose not expressly set forth in this Agreement, and will not disclose any such Proprietary Information to any third party without first obtaining Service Recipient's express written consent on a case-by-case basis. "Proprietary Information" means all Work Product as defined in Section 4(c) below and all information disclosed by Company Group to Consultant not generally known in the industry and includes, without limitation, (i) trademarks, trade secrets, inventions, mask works, ideas, processes, formulas, source and object codes, data, software, artwork other works of authorship, know-how, improvements, discoveries, developments, designs, processes and manufacturing techniques (hereinafter collectively referred to as "Inventions"); and (ii) information regarding plans for investment, acquisitions, research, development, new products, marketing and selling, business plans, budgets and unpublished financial statements, licenses, prices and costs, suppliers and customers; and (iii) information regarding the skills and compensation of employees of the Company Group. Notwithstanding the other provisions of this Agreement, nothing received by Consultant will be considered to be Proprietary Information if (A) it has been published or is otherwise readily available to the public other than by a breach of this Agreement; (B) it has been rightfully received by Consultant from a third party without confidential limitations; (C) it has been independently developed for Consultant by personnel or agents without use of the Proprietary Information; or (D) it was known to Consultant prior to its first receipt from the Company Group (as defined in Section 7 below). For the avoidance of doubt, the duties under this Section 4(a) shall continue indefinitely unless such duties are expressly terminated by the Company Group.

(b) Third Party Information. Consultant understands that the Company Group has received and will in the future receive from third parties confidential or proprietary information ("Third Party Information") subject to a duty on the Company Group's part to maintain the confidentiality of such information and use it only for certain limited purposes. Consultant agrees to hold Third Party Information in confidence and not to disclose to anyone (other than Company Group personnel who need to know such information in connection with their work for the Company Group) or to use, except in connection with Consultant's work for Service Recipient, Third Party Information unless expressly authorized in writing by an officer of Service Recipient. Furthermore, Consultant represents and warrants that this consulting engagement for Service Recipient does not and would not breach any agreements or duties to any other third party. In Consultant's work for Service Recipient, Consultant will be expected not to violate any lawful restrictive covenants or make any unauthorized use or disclosure to Service Recipient or any other entity of any confidential information, including trade secrets, of any other party to whom Consultant may have an obligation of confidentiality.

(c) Ownership of Work Product. As used in this Agreement, the term "Work Product" means any deliverables of Consultant made to Service Recipient, and any Invention, whether or not patentable, which is solely or jointly conceived, made, or reduced to practice, by Consultant in the course of any work performed for Service Recipient. Consultant agrees that any and all Inventions conceived, made, or first reduced to practice in the performance of work under this Agreement shall be the sole and exclusive property of Service Recipient.

(d) Assignment of the Work Product. Consultant irrevocably assigns to Service Recipient all right, title and interest worldwide in and to Work Product and all applicable intellectual property rights related to the Work Product, including without limitation, copyrights, trademarks, trade secrets, patents, moral rights, contract and licensing rights. Consultant agrees not to challenge the validity of Service Recipient's ownership in the Work Product, and Consultant agrees to take all reasonable steps requested by Service Recipient at Service Recipient's expense to perfect its ownership rights in the Work Product. If Consultant has any rights to the Work Product that cannot be assigned to Service Recipient, Consultant unconditionally and irrevocably waives the enforcement of such rights.

(f) Defend Trade Secrets Act Limitations. Notwithstanding Consultant's confidentiality obligations set forth above, Consultant understands that, pursuant to the Defend Trade Secrets Act of 2016, Consultant will not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that: (i) is made (A) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney; and (B) solely for the purpose of reporting or investigating a suspected violation of law; or (ii) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. Consultant understands that in the event it is determined that disclosure of trade secrets was not done in good faith pursuant to the preceding sentence, Consultant will be subject to substantial damages, including punitive damages and attorneys' fees.

5. **Term and Termination.** Performance of the Services shall commence on the Closing Date (as defined in that certain Asset Purchase Agreement by and between Service Recipient, Truweo, LLC, Squatty Potty, LLC and only for the purposes of certain sections thereof, the key owners of Squatty Potty, LCC that are party thereto, dated effective as of May 5, 2021 (the "Purchase Agreement") and continue through the first to occur of: (a) the Expiration Date (as defined in the Transition Services Agreement (as defined in the Purchase Agreement)), (b) Consultant's failure (other than a good faith attempt to provide the Services) or refusal to provide Services as identified in Exhibit A, only after written notice from Service Recipient to Consultant of the Services that are not being performed and only if Consultant fails to cure or provide a good faith reason as to why the Services are unable to be performed within 10 days of receipt of such written notice (in either case the term shall not end), or (d) upon 30 days' written notice from Consultant (provided, however, that upon receipt of such notice from Consultant, Service Recipient may accelerate the termination date). Service Recipient or Consultant may also terminate this Agreement in the event of a material breach of this Agreement subject to written notice and an opportunity to cure if curable within 10 days by the other party.

6. **Independent Contractor**. Consultant's relationship with Service Recipient will be that of an independent contractor and not that of an employee. Consultant shall be solely responsible for determining the method, details and means of performing the Services; provided, however, that Consultant shall not subcontract any work in a manner inconsistent with the Transition Services Agreement (as defined in the Purchase Agreement) or without the written consent of the Service Recipient. Consultant has no authority to enter into contracts that bind Service Recipient or create obligations on the part of Service Recipient without the prior written authorization of Service Recipient. Consultant acknowledges and agrees that Consultant will not be eligible for any Service Recipient employee benefits. Consultant shall have full responsibility for applicable taxes for all compensation paid to Consultant under this Agreement, and for compliance with all applicable labor and employment requirements with respect to Consultant's form of business organization.

7. **Services for Competitors**. During the term of this Agreement, Consultant will not provide consulting or other services for any business, including worldwide retail and online sale, that could reasonably be deemed to compete with the products sold as part of the Acquired Assets, anywhere in world. Notwithstanding the foregoing, nothing contained in this Section 7 shall prohibit Consultant from (i) the passive ownership of less than 2% of any class of stock listed on a national securities exchange or traded in the over-the-counter market, or (ii) Consultant's continued employment by Squatty Potty, LLC and performance of services on behalf of Squatty Potty, LLC in accordance with the Transition Services Agreement.

8. **Non-Solicitation**. Consultant represents and warrants that during the term of the Agreement and for a period of 12 months thereafter, Consultant will not, without Service Recipient's express written consent, either directly or indirectly, solicit any employee, contractor, or consultant of the Company Group to terminate his, her, or its relationship with the Company Group.

9. **Non-Interference**. Service Recipient agrees that it shall not unreasonably interfere with Consultant's efforts and ability to provide the Services. Unreasonable interference shall include, but is not limited to, causing delays which compel Consultant's non-performance of the Services or impedes Consultant's ability to deliver the Services, requiring unlawful conduct to deliver the Services, Company Group's failure to perform under (as applicable) the Purchase Agreement or the Transition Services Agreement, and rejecting the reasonable recommendations or decisions that allow for the performance of the Services.

10. **Miscellaneous**. Any term of this Agreement may be amended or waived only with the written consent of the parties. This Agreement, including the Exhibits hereto, constitutes the sole agreement of the parties and supersedes all oral negotiations and prior writings with respect to the subject matter hereof. Any notice required or permitted by this Agreement shall be in writing and shall be deemed sufficient upon receipt, when delivered personally or by courier, email, overnight delivery service or confirmed facsimile, and 48 hours after being deposited in the regular mail as certified or registered mail. The validity, interpretation, construction and performance of this Agreement shall be governed by the laws of the State of New York, without giving effect to the principles of conflict of laws. In the event of any dispute or action arising out of this Agreement, such action shall be brought and maintained exclusively in New York, New York. If one or more provisions of this Agreement are held to be unenforceable under applicable law, the parties agree to renegotiate such provision in good faith. In the event that the parties cannot reach a mutually agreeable and enforceable replacement for such provision, then (a) such provision shall be excluded from this Agreement, (b) the balance of the Agreement shall be interpreted as if such provision were so excluded and (c) the balance of the Agreement shall be enforceable in accordance with its terms. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together will constitute one and the same instrument.

11. **Survival**. Sections 4, 6, 8, 10, and 11 shall survive the termination of this Agreement.

12. **Corporate Power**. Consultant and Service Recipient represent and warrant that each party has all necessary power to enter into this Agreement, and that, in connection with the provision of Services, Consultant shall comply with all applicable laws.

13. **Sole Agreement**. This Agreement is the sole agreement between the parties with respect to the subject matter hereof and may be amended only by an instrument in writing executed by the parties hereof.

14. **Questionnaires; Investor Status; Registration; Trading Restrictions**.

(a) Questionnaires. As a pre-requisite to receive payment of the Fees in the form of common stock of Aterian, Inc. ("Parent"), if applicable, Consultant shall complete an Investor Questionnaire, in substantially the form attached hereto as Exhibit C, on the date on which this Agreement is executed and, upon Service Recipient's request, prior to the date on which the shares to be issued as set forth on Exhibit B are issued to Consultant. In addition, to the extent that such shares are registered by Parent, Consultant shall also complete a Selling Stockholder Questionnaire, in substantially the form of such questionnaire as is attached as an exhibit to the Purchase Agreement within five business days of the issuance of such shares.

(b) Accredited Investor Status. Notwithstanding any provisions of this Agreement (including Exhibit B) to the contrary, in the event Parent believes in its reasonable discretion that Consultant is not an "accredited investor" as defined in Rule 501(a) of Regulation D promulgated under the Securities Act of 1933, as amended (the "Securities Act"), Parent may determine in its discretion, to be exercised in good faith, to pay the Fees that would otherwise be due under this Agreement to Consultant in the form of cash only, and not in the form of Parent Common Stock (as defined in the Purchase Agreement), with the amount of cash to be paid in lieu of any such Parent Common Stock with respect thereto to be calculated based on the Parent Stock Price (as defined in the Purchase Agreement).

(c) Piggy-Back Registration. If, following the issuance of any shares of Parent Common Stock pursuant to this Agreement, Parent shall determine to prepare and file with the Securities and Exchange Commission a Registration Statement (as defined in the Purchase Agreement) relating to an offering for the account of others under the Securities Act of any of its equity securities, other than on Form S-4 or Form S-8 (each as promulgated under the Securities Act) or their then equivalents relating to equity securities to be issued solely in connection with any acquisition of any entity or business or equity securities issuable in connection with Parent's stock option or other employee benefit plans, then Service Recipient or Parent shall deliver to Consultant a written notice of such determination and, if within 15 days after the date of the delivery of such notice, Consultant shall so request in writing, Service Recipient will cause Parent to include in such registration statement all or any part of the shares of Parent Common Stock issued hereunder that Consultant requests to be registered.

(d) Trading Restrictions. Consultant agrees that, following the issuance of any shares of Parent Common Stock pursuant to this Agreement, for so long as it holds any of the outstanding shares of Parent Common Stock it shall not, directly or indirectly, sell, transfer or otherwise dispose of any such shares if such sale, transfer or other disposition would exceed 10% of the average daily trading volume of Parent Common Stock, as reported on Nasdaq (as defined in the Purchase Agreement), for the 10 consecutive Trading Days (as defined in the Purchase Agreement) ending on the Trading Day immediately preceding such sale, transfer or other disposition. From and after the date on which any shares of Parent Common Stock are issued to Consultant pursuant to this Agreement, upon written notice from Service Recipient or Parent (each such notice, a "Trading Report Request"), Consultant shall be required to promptly, and in any event not later than two Business Days (as defined in the Purchase Agreement) from delivery of a Trading Report Request, provide to Service Recipient or Parent copies of trading statements for such periods specified in the applicable Trading Report Request, from Consultant's broker, stock representative, registered representative, or other similar representative, as applicable, evidencing compliance with this Section 14(d).

15. **Release**

(a) In consideration of the Service Recipient entering into this Agreement and the potential Fees Consultant may earn hereunder, Consultant hereby releases and discharges Service Recipient, its parents, subsidiaries, and other affiliates, and each of their respective directors, officers, employees, members, agents, employee benefit plans, successors and assigns (collectively, "Company Affiliates") from any and all claims, known or unknown, arising on or before the date Consultant executes this Release (as set forth in Consultant's signature block below), whether in contract, including, but not limited to, claims for severance or separation pay, in tort or that are statutory in nature, which Consultant may have or could claim to have against Service Recipient or any Company Affiliate, including, but not limited to, claims for employment or reinstatement, discrimination, harassment or retaliation, attorneys' fees, damages or other monies arising out of or occasioned by Consultant's employment with Squatty Potty, LLC and its affiliates or its termination, including, but not limited to, claims arising under Title VII of the Civil Rights Act of 1964, the Age Discrimination in Employment Act and the Older Workers Benefit Protection Act, the Americans With Disabilities Act, the Family and Medical Leave Act, the National Labor Relations Act, the Labor Management Relations Act (the Taft-Hartley Act), Employee Retirement Income Security Act (excluding claims for accrued vested benefits under any company sponsored tax-qualified pension plan in accordance with the terms of such plan and applicable law), the Worker Adjustment Retraining Notification Act, each as amended, any and all federal civil rights statutes, including, but not limited, to 42 USC § 1981, 1981a, 1983, 1985 and 1986, and any other federal, state or local law, including, but not limited to, those that protect employees against discrimination, retaliation and harassment in employment, that may apply to Consultant (collectively, the "Released Claims"). Consultant represents and agrees that by signing below Consultant has not commenced or joined in any claim, charge, action or proceeding whatsoever against Service Recipient or any of the Company Affiliates in any forum relating to any of the Released Claims. Consultant further agrees not to sue Service Recipient or any Company Affiliate based upon or in connection with any of the Released Claims. Consistent with this Release, Consultant shall not sue or participate in any action seeking damages or relief against Service Recipient or any Company Affiliate based upon or in connection with any Released Claims.

(b) This Section 15 does not apply to claims: (i) that may arise after Consultant executes this Release; (ii) that Consultant may have under COBRA; (iii) that Consultant may have for unemployment insurance benefits or workers' compensation benefits; or (iv) that may not be released as a matter of applicable law. In addition, nothing herein is intended to interfere with Consultant's right to file or participate in any investigation or proceeding conducted by the Equal Employment Opportunity Commission, National Labor Relations Board, or a similar federal or state fair employment practices agency; provided that, Consultant acknowledges and agrees that, by virtue of this Release, Consultant has waived any available relief (including, but not limited to, monetary damages, equitable relief and reinstatement) under any of the claims and/or causes of action waived in this Agreement. In addition, for the avoidance of doubt, nothing contained herein shall prohibit Consultant from reporting a suspected violation of law to the appropriate governmental authority or agency.

(c) Consultant expressly acknowledges that this Section 15 is intended to include in its effect, without limitation, all claims Consultant does not know or suspect to exist in Consultant's favor at the time of signing this Release, and that this Release contemplates the extinguishment of any such claims. Consultant expressly waives any rights Consultant may have under any applicable federal, state or local statute that would exclude unknown or unsuspected claims from a general release.

(d) Consultant understands that Consultant is under no obligation to execute this Agreement and the waiver of unknown or unsuspected claims, and Consultant acknowledges that Consultant is executing this Release knowingly and voluntarily and that Consultant has been advised to consult with an attorney of Consultant's choice about it and have been given an opportunity to do so. Consultant agrees that Consultant has carefully read this Agreement in its entirety and fully understand the significance of all of the terms and conditions of this Section 15.

(e) Consultant further acknowledges that Consultant later may discover facts different from or in addition to those Consultant now knows or believes to be true regarding the matters released or described in this Section 15, and even so Consultant agrees that the releases and agreements contained in this Section 15 shall remain effective in all respects notwithstanding any later discovery of any different or additional facts. Consultant expressly assume any and all risk of any mistake in connection with the true facts involved in the matters, disputes or controversies released or described in this Release or with regard to any facts now unknown to Consultant relating thereto.

(f) Consultant acknowledges that Consultant has no basis to believe that Consultant has been discriminated against on any basis, including, without limitation, age, gender, national origin, and sexual orientation.

(g) Consultant and Service Recipient acknowledge that it is the desire and intent of both Consultant and Service Recipient that the provisions of this Section 15 shall be enforced to the fullest extent permissible under the laws and public policies in each jurisdiction in which enforcement is sought. In the event that any one or more provisions of this Section 15 is held invalid, illegal or unenforceable, the validity, legality and enforceability of the remainder of this Section 15 will not in any way be affected or impaired thereby.

[*The remainder of this page is intentionally left blank.*]

The parties have executed this Agreement on the respective dates set forth below.

ATERIAN GROUP, INC.

By: /s/ Yaniv Sarig
Name: Yaniv Sarig
Title: President and Chief Executive Officer

Date: May 5, 2021

BERNIE KROPFELDER

/s/ Bernie Kropfelder

Date: May 5, 2021

Address:

[***]

[***]

Exhibit 10.3

CONSULTING AGREEMENT

This Consulting Agreement (this "Agreement") is entered into by and between Aterian Group, Inc. ("Service Recipient"), and Tani Alger (referred to herein as "Consultant") dated effective as of May 5, 2021 (the "Effective Date").

1. **Consulting Relationship**. During the term of this Agreement, Consultant will provide the consulting services (the "Services") to Service Recipient described on Exhibit A to this Agreement, unless Service Recipient chooses to not require any of the Services, until full performance of the Services pursuant to the terms hereof. Consultant shall use Consultant's commercially reasonable efforts to provide the Services in a manner reasonably satisfactory to Service Recipient.

2. **Fees**. As consideration for the Services to be provided by Consultant and subject to the terms and conditions hereof, Service Recipient shall pay to Consultant the amounts specified in Exhibit B attached to this Agreement at the times and in the manner specified therein (the "Fees").

3. **Expenses**. During the term of this Agreement, Service Recipient will reimburse Consultant for reasonable and necessary out-of-pocket expenses actually incurred by Consultant for travel and other reasonable expenditures directly related to the Services in accordance with Service Recipient's expense reimbursement policies for consultants, subject to Consultant's provision of documentation of the expenses reasonably satisfactory to Service Recipient and, in the case of a single expense or a group of related expenses that are individually or in the aggregate in excess of $2,000, advance written notice of a request for reimbursement pre-approved by Service Recipient.

4. **Trade Secrets; Intellectual Property Rights**.

(a) Proprietary Information. Consultant agrees during the term of this Agreement and thereafter that it will take all steps reasonably necessary to hold the Service Recipient's and its subsidiaries' (collectively, "Company Group") Proprietary Information (defined below) in trust and confidence, will not use Proprietary Information in any manner or for any purpose not expressly set forth in this Agreement, and will not disclose any such Proprietary Information to any third party without first obtaining Service Recipient's express written consent on a case-by-case basis. "Proprietary Information" means all Work Product as defined in Section 4(c) below and all information disclosed by Company Group to Consultant not generally known in the industry and includes, without limitation, (i) trademarks, trade secrets, inventions, mask works, ideas, processes, formulas, source and object codes, data, software, artwork other works of authorship, know-how, improvements, discoveries, developments, designs, processes and manufacturing techniques (hereinafter collectively referred to as "Inventions"); and (ii) information regarding plans for investment, acquisitions, research, development, new products, marketing and selling, business plans, budgets and unpublished financial statements, licenses, prices and costs, suppliers and customers; and (iii) information regarding the skills and compensation of employees of the Company Group. Notwithstanding the other provisions of this Agreement, nothing received by Consultant will be considered to be Proprietary Information if (A) it has been published or is otherwise readily available to the public other than by a breach of this Agreement; (B) it has been rightfully received by Consultant from a third party without confidential limitations; (C) it has been independently developed for Consultant by personnel or agents without use of the Proprietary Information; or (D) it was known to Consultant prior to its first receipt from the Company Group (as defined in Section 7 below). For the avoidance of doubt, the duties under this Section 4(a) shall continue indefinitely unless such duties are expressly terminated by the Company Group.

(b) Third Party Information. Consultant understands that the Company Group has received and will in the future receive from third parties confidential or proprietary information ("Third Party Information") subject to a duty on the Company Group's part to maintain the confidentiality of such information and use it only for certain limited purposes. Consultant agrees to hold Third Party Information in confidence and not to disclose to anyone (other than Company Group personnel who need to know such information in connection with their work for the Company Group) or to use, except in connection with Consultant's work for Service Recipient, Third Party Information unless expressly authorized in writing by an officer of Service Recipient. Furthermore, Consultant represents and warrants that this consulting engagement for Service Recipient does not and would not breach any agreements or duties to any other third party. In Consultant's work for Service Recipient, Consultant will be expected not to violate any lawful restrictive covenants or make any unauthorized use or disclosure to Service Recipient or any other entity of any confidential information, including trade secrets, of any other party to whom Consultant may have an obligation of confidentiality.

(c) Ownership of Work Product. As used in this Agreement, the term "Work Product" means any deliverables of Consultant made to Service Recipient, and any Invention, whether or not patentable, which is solely or jointly conceived, made, or reduced to practice, by Consultant in the course of any work performed for Service Recipient. Consultant agrees that any and all Inventions conceived, made, or first reduced to practice in the performance of work under this Agreement shall be the sole and exclusive property of Service Recipient.

(d) Assignment of the Work Product. Consultant irrevocably assigns to Service Recipient all right, title and interest worldwide in and to Work Product and all applicable intellectual property rights related to the Work Product, including without limitation, copyrights, trademarks, trade secrets, patents, moral rights, contract and licensing rights. Consultant agrees not to challenge the validity of Service Recipient's ownership in the Work Product, and Consultant agrees to take all reasonable steps requested by Service Recipient at Service Recipient's expense to perfect its ownership rights in the Work Product. If Consultant has any rights to the Work Product that cannot be assigned to Service Recipient, Consultant unconditionally and irrevocably waives the enforcement of such rights.

(f) Defend Trade Secrets Act Limitations. Notwithstanding Consultant's confidentiality obligations set forth above, Consultant understands that, pursuant to the Defend Trade Secrets Act of 2016, Consultant will not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that: (i) is made (A) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney; and (B) solely for the purpose of reporting or investigating a suspected violation of law; or (ii) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. Consultant understands that in the event it is determined that disclosure of trade secrets was not done in good faith pursuant to the preceding sentence, Consultant will be subject to substantial damages, including punitive damages and attorneys' fees.

5. **Term and Termination.** Performance of the Services shall commence on the Closing Date (as defined in that certain Asset Purchase Agreement by and between Service Recipient, Truweo, LLC, Squatty Potty, LLC and only for the purposes of certain sections thereof, the key owners of Squatty Potty, LCC that are party thereto, dated effective as of May 5, 2021 (the "Purchase Agreement") and continue through the first to occur of: (a) the Expiration Date (as defined in the Transition Services Agreement (as defined in the Purchase Agreement)), (b) Consultant's failure (other than a good faith attempt to provide the Services) or refusal to provide Services as identified in Exhibit A, only after written notice from Service Recipient to Consultant of the Services that are not being performed and only if Consultant fails to cure or provide a good faith reason as to why the Services are unable to be performed within 10 days of receipt of such written notice (in either case the term shall not end), or (d) upon 30 days' written notice from Consultant (provided, however, that upon receipt of such notice from Consultant, Service Recipient may accelerate the termination date). Service Recipient or Consultant may also terminate this Agreement in the event of a material breach of this Agreement subject to written notice and an opportunity to cure if curable within 10 days by the other party.

6. **Independent Contractor**. Consultant's relationship with Service Recipient will be that of an independent contractor and not that of an employee. Consultant shall be solely responsible for determining the method, details and means of performing the Services; provided, however, that Consultant shall not subcontract any work in a manner inconsistent with the Transition Services Agreement (as defined in the Purchase Agreement) or without the written consent of the Service Recipient. Consultant has no authority to enter into contracts that bind Service Recipient or create obligations on the part of Service Recipient without the prior written authorization of Service Recipient. Consultant acknowledges and agrees that Consultant will not be eligible for any Service Recipient employee benefits. Consultant shall have full responsibility for applicable taxes for all compensation paid to Consultant under this Agreement, and for compliance with all applicable labor and employment requirements with respect to Consultant's form of business organization.

7. **Services for Competitors**. During the term of this Agreement, Consultant will not provide consulting or other services for any business, including worldwide retail and online sale, that could reasonably be deemed to compete with the products sold as part of the Acquired Assets, anywhere in world. Notwithstanding the foregoing, nothing contained in this Section 7 shall prohibit Consultant from (i) the passive ownership of less than 2% of any class of stock listed on a national securities exchange or traded in the over-the-counter market, or (ii) Consultant's continued employment by Squatty Potty, LLC and performance of services on behalf of Squatty Potty, LLC in accordance with the Transition Services Agreement.

8. **Non-Solicitation**. Consultant represents and warrants that during the term of the Agreement and for a period of 12 months thereafter, Consultant will not, without Service Recipient's express written consent, either directly or indirectly, solicit any employee, contractor, or consultant of the Company Group to terminate his, her, or its relationship with the Company Group.

9. **Non-Interference**. Service Recipient agrees that it shall not unreasonably interfere with Consultant's efforts and ability to provide the Services. Unreasonable interference shall include, but is not limited to, causing delays which compel Consultant's non-performance of the Services or impedes Consultant's ability to deliver the Services, requiring unlawful conduct to deliver the Services, Company Group's failure to perform under (as applicable) the Purchase Agreement or the Transition Services Agreement, and rejecting the reasonable recommendations or decisions that allow for the performance of the Services.

10. **Miscellaneous**. Any term of this Agreement may be amended or waived only with the written consent of the parties. This Agreement, including the Exhibits hereto, constitutes the sole agreement of the parties and supersedes all oral negotiations and prior writings with respect to the subject matter hereof. Any notice required or permitted by this Agreement shall be in writing and shall be deemed sufficient upon receipt, when delivered personally or by courier, email, overnight delivery service or confirmed facsimile, and 48 hours after being deposited in the regular mail as certified or registered mail. The validity, interpretation, construction and performance of this Agreement shall be governed by the laws of the State of New York, without giving effect to the principles of conflict of laws. In the event of any dispute or action arising out of this Agreement, such action shall be brought and maintained exclusively in New York, New York. If one or more provisions of this Agreement are held to be unenforceable under applicable law, the parties agree to renegotiate such provision in good faith. In the event that the parties cannot reach a mutually agreeable and enforceable replacement for such provision, then (a) such provision shall be excluded from this Agreement, (b) the balance of the Agreement shall be interpreted as if such provision were so excluded and (c) the balance of the Agreement shall be enforceable in accordance with its terms. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together will constitute one and the same instrument.

11. **Survival**. Sections 4, 6, 8, 10, and 11 shall survive the termination of this Agreement.

12. **Corporate Power**. Consultant and Service Recipient represent and warrant that each party has all necessary power to enter into this Agreement, and that, in connection with the provision of Services, Consultant shall comply with all applicable laws.

13. **Sole Agreement**. This Agreement is the sole agreement between the parties with respect to the subject matter hereof and may be amended only by an instrument in writing executed by the parties hereof.

14. **Questionnaires; Investor Status; Registration; Trading Restrictions**.

(a) Questionnaires. As a pre-requisite to receive payment of the Fees in the form of common stock of Aterian, Inc. ("Parent"), if applicable, Consultant shall complete an Investor Questionnaire, in substantially the form attached hereto as Exhibit C, on the date on which this Agreement is executed and, upon Service Recipient's request, prior to the date on which the shares to be issued as set forth on Exhibit B are issued to Consultant. In addition, to the extent that such shares are registered by Parent, Consultant shall also complete a Selling Stockholder Questionnaire, in substantially the form of such questionnaire as is attached as an exhibit to the Purchase Agreement within five business days of the issuance of such shares.

(b) Accredited Investor Status. Notwithstanding any provisions of this Agreement (including Exhibit B) to the contrary, in the event Parent believes in its reasonable discretion that Consultant is not an "accredited investor" as defined in Rule 501(a) of Regulation D promulgated under the Securities Act of 1933, as amended (the "Securities Act"), Parent may determine in its discretion, to be exercised in good faith, to pay the Fees that would otherwise be due under this Agreement to Consultant in the form of cash only, and not in the form of Parent Common Stock (as defined in the Purchase Agreement), with the amount of cash to be paid in lieu of any such Parent Common Stock with respect thereto to be calculated based on the Parent Stock Price (as defined in the Purchase Agreement).

(c) Piggy-Back Registration. If, following the issuance of any shares of Parent Common Stock pursuant to this Agreement, Parent shall determine to prepare and file with the Securities and Exchange Commission a Registration Statement (as defined in the Purchase Agreement) relating to an offering for the account of others under the Securities Act of any of its equity securities, other than on Form S-4 or Form S-8 (each as promulgated under the Securities Act) or their then equivalents relating to equity securities to be issued solely in connection with any acquisition of any entity or business or equity securities issuable in connection with Parent's stock option or other employee benefit plans, then Service Recipient or Parent shall deliver to Consultant a written notice of such determination and, if within 15 days after the date of the delivery of such notice, Consultant shall so request in writing, Service Recipient will cause Parent to include in such registration statement all or any part of the shares of Parent Common Stock issued hereunder that Consultant requests to be registered.

(d) Trading Restrictions. Consultant agrees that, following the issuance of any shares of Parent Common Stock pursuant to this Agreement, for so long as it holds any of the outstanding shares of Parent Common Stock it shall not, directly or indirectly, sell, transfer or otherwise dispose of any such shares if such sale, transfer or other disposition would exceed 10% of the average daily trading volume of Parent Common Stock, as reported on Nasdaq (as defined in the Purchase Agreement), for the 10 consecutive Trading Days (as defined in the Purchase Agreement) ending on the Trading Day immediately preceding such sale, transfer or other disposition. From and after the date on which any shares of Parent Common Stock are issued to Consultant pursuant to this Agreement, upon written notice from Service Recipient or Parent (each such notice, a "Trading Report Request"), Consultant shall be required to promptly, and in any event not later than two Business Days (as defined in the Purchase Agreement) from delivery of a Trading Report Request, provide to Service Recipient or Parent copies of trading statements for such periods specified in the applicable Trading Report Request, from Consultant's broker, stock representative, registered representative, or other similar representative, as applicable, evidencing compliance with this Section 14(d).

15. **Release**

(a) In consideration of the Service Recipient entering into this Agreement and the potential Fees Consultant may earn hereunder, Consultant hereby releases and discharges Service Recipient, its parents, subsidiaries, and other affiliates, and each of their respective directors, officers, employees, members, agents, employee benefit plans, successors and assigns (collectively, "Company Affiliates") from any and all claims, known or unknown, arising on or before the date Consultant executes this Release (as set forth in Consultant's signature block below), whether in contract, including, but not limited to, claims for severance or separation pay, in tort or that are statutory in nature, which Consultant may have or could claim to have against Service Recipient or any Company Affiliate, including, but not limited to, claims for employment or reinstatement, discrimination, harassment or retaliation, attorneys' fees, damages or other monies arising out of or occasioned by Consultant's employment with Squatty Potty, LLC and its affiliates or its termination, including, but not limited to, claims arising under Title VII of the Civil Rights Act of 1964, the Age Discrimination in Employment Act and the Older Workers Benefit Protection Act, the Americans With Disabilities Act, the Family and Medical Leave Act, the National Labor Relations Act, the Labor Management Relations Act (the Taft-Hartley Act), Employee Retirement Income Security Act (excluding claims for accrued vested benefits under any company sponsored tax-qualified pension plan in accordance with the terms of such plan and applicable law), the Worker Adjustment Retraining Notification Act, each as amended, any and all federal civil rights statutes, including, but not limited, to 42 USC § 1981, 1981a, 1983, 1985 and 1986, and any other federal, state or local law, including, but not limited to, those that protect employees against discrimination, retaliation and harassment in employment, that may apply to Consultant (collectively, the "Released Claims"). Consultant represents and agrees that by signing below Consultant has not commenced or joined in any claim, charge, action or proceeding whatsoever against Service Recipient or any of the Company Affiliates in any forum relating to any of the Released Claims. Consultant further agrees not to sue Service Recipient or any Company Affiliate based upon or in connection with any of the Released Claims. Consistent with this Release, Consultant shall not sue or participate in any action seeking damages or relief against Service Recipient or any Company Affiliate based upon or in connection with any Released Claims.

(b) This Section 15 does not apply to claims: (i) that may arise after Consultant executes this Release; (ii) that Consultant may have under COBRA; (iii) that Consultant may have for unemployment insurance benefits or workers' compensation benefits; or (iv) that may not be released as a matter of applicable law. In addition, nothing herein is intended to interfere with Consultant's right to file or participate in any investigation or proceeding conducted by the Equal Employment Opportunity Commission, National Labor Relations Board, or a similar federal or state fair employment practices agency; provided that, Consultant acknowledges and agrees that, by virtue of this Release, Consultant has waived any available relief (including, but not limited to, monetary damages, equitable relief and reinstatement) under any of the claims and/or causes of action waived in this Agreement. In addition, for the avoidance of doubt, nothing contained herein shall prohibit Consultant from reporting a suspected violation of law to the appropriate governmental authority or agency.

(c) Consultant expressly acknowledges that this Section 15 is intended to include in its effect, without limitation, all claims Consultant does not know or suspect to exist in Consultant's favor at the time of signing this Release, and that this Release contemplates the extinguishment of any such claims. Consultant expressly waives any rights Consultant may have under any applicable federal, state or local statute that would exclude unknown or unsuspected claims from a general release.

(d) Consultant understands that Consultant is under no obligation to execute this Agreement and the waiver of unknown or unsuspected claims, and Consultant acknowledges that Consultant is executing this Release knowingly and voluntarily and that Consultant has been advised to consult with an attorney of Consultant's choice about it and have been given an opportunity to do so. Consultant agrees that Consultant has carefully read this Agreement in its entirety and fully understand the significance of all of the terms and conditions of this Section 15.

(e) Consultant further acknowledges that Consultant later may discover facts different from or in addition to those Consultant now knows or believes to be true regarding the matters released or described in this Section 15, and even so Consultant agrees that the releases and agreements contained in this Section 15 shall remain effective in all respects notwithstanding any later discovery of any different or additional facts. Consultant expressly assume any and all risk of any mistake in connection with the true facts involved in the matters, disputes or controversies released or described in this Release or with regard to any facts now unknown to Consultant relating thereto.

(f) Consultant acknowledges that Consultant has no basis to believe that Consultant has been discriminated against on any basis, including, without limitation, age, gender, national origin, and sexual orientation.

(g) Consultant and Service Recipient acknowledge that it is the desire and intent of both Consultant and Service Recipient that the provisions of this Section 15 shall be enforced to the fullest extent permissible under the laws and public policies in each jurisdiction in which enforcement is sought. In the event that any one or more provisions of this Section 15 is held invalid, illegal or unenforceable, the validity, legality and enforceability of the remainder of this Section 15 will not in any way be affected or impaired thereby.

[*The remainder of this page is intentionally left blank.*]

The parties have executed this Agreement on the respective dates set forth below.

ATERIAN GROUP, INC.

By: /s/ Yaniv Sarig
Name: Yaniv Sarig
Title: President and Chief Executive Officer

Date: May 5, 2021

TANI ALGER

/s/ Tani Alger

Date: May 5, 2021

Address: [***]
[***]

Exhibit 10.4

CONSULTING AGREEMENT

This Consulting Agreement (this "Agreement") is entered into by and between Aterian Group, Inc. ("Service Recipient"), and Jeff Ela (referred to herein as "Consultant") dated effective as of May 5, 2021 (the "Effective Date").

1. **Consulting Relationship**. During the term of this Agreement, Consultant will provide the consulting services (the "Services") to Service Recipient described on Exhibit A to this Agreement, unless Service Recipient chooses to not require any of the Services, until full performance of the Services pursuant to the terms hereof. Consultant shall use Consultant's commercially reasonable efforts to provide the Services in a manner reasonably satisfactory to Service Recipient.

2. **Fees**. As consideration for the Services to be provided by Consultant and subject to the terms and conditions hereof, Service Recipient shall pay to Consultant the amounts specified in Exhibit B attached to this Agreement at the times and in the manner specified therein (the "Fees").

3. **Expenses**. During the term of this Agreement, Service Recipient will reimburse Consultant for reasonable and necessary out-of-pocket expenses actually incurred by Consultant for travel and other reasonable expenditures directly related to the Services in accordance with Service Recipient's expense reimbursement policies for consultants, subject to Consultant's provision of documentation of the expenses reasonably satisfactory to Service Recipient and, in the case of a single expense or a group of related expenses that are individually or in the aggregate in excess of $2,000, advance written notice of a request for reimbursement pre-approved by Service Recipient.

4. **Trade Secrets; Intellectual Property Rights**.

(a) Proprietary Information. Consultant agrees during the term of this Agreement and thereafter that it will take all steps reasonably necessary to hold the Service Recipient's and its subsidiaries' (collectively, "Company Group") Proprietary Information (defined below) in trust and confidence, will not use Proprietary Information in any manner or for any purpose not expressly set forth in this Agreement, and will not disclose any such Proprietary Information to any third party without first obtaining Service Recipient's express written consent on a case-by-case basis. "Proprietary Information" means all Work Product as defined in Section 4(c) below and all information disclosed by Company Group to Consultant not generally known in the industry and includes, without limitation, (i) trademarks, trade secrets, inventions, mask works, ideas, processes, formulas, source and object codes, data, software, artwork other works of authorship, know-how, improvements, discoveries, developments, designs, processes and manufacturing techniques (hereinafter collectively referred to as "Inventions"); and (ii) information regarding plans for investment, acquisitions, research, development, new products, marketing and selling, business plans, budgets and unpublished financial statements, licenses, prices and costs, suppliers and customers; and (iii) information regarding the skills and compensation of employees of the Company Group. Notwithstanding the other provisions of this Agreement, nothing received by Consultant will be considered to be Proprietary Information if (A) it has been published or is otherwise readily available to the public other than by a breach of this Agreement; (B) it has been rightfully received by Consultant from a third party without confidential limitations; (C) it has been independently developed for Consultant by personnel or agents without use of the Proprietary Information; or (D) it was known to Consultant prior to its first receipt from the Company Group (as defined in Section 7 below). For the avoidance of doubt, the duties under this Section 4(a) shall continue indefinitely unless such duties are expressly terminated by the Company Group.

(b) Third Party Information. Consultant understands that the Company Group has received and will in the future receive from third parties confidential or proprietary information ("Third Party Information") subject to a duty on the Company Group's part to maintain the confidentiality of such information and use it only for certain limited purposes. Consultant agrees to hold Third Party Information in confidence and not to disclose to anyone (other than Company Group personnel who need to know such information in connection with their work for the Company Group) or to use, except in connection with Consultant's work for Service Recipient, Third Party Information unless expressly authorized in writing by an officer of Service Recipient. Furthermore, Consultant represents and warrants that this consulting engagement for Service Recipient does not and would not breach any agreements or duties to any other third party. In Consultant's work for Service Recipient, Consultant will be expected not to violate any lawful restrictive covenants or make any unauthorized use or disclosure to Service Recipient or any other entity of any confidential information, including trade secrets, of any other party to whom Consultant may have an obligation of confidentiality.

(c) Ownership of Work Product. As used in this Agreement, the term "Work Product" means any deliverables of Consultant made to Service Recipient, and any Invention, whether or not patentable, which is solely or jointly conceived, made, or reduced to practice, by Consultant in the course of any work performed for Service Recipient. Consultant agrees that any and all Inventions conceived, made, or first reduced to practice in the performance of work under this Agreement shall be the sole and exclusive property of Service Recipient.

(d) Assignment of the Work Product. Consultant irrevocably assigns to Service Recipient all right, title and interest worldwide in and to Work Product and all applicable intellectual property rights related to the Work Product, including without limitation, copyrights, trademarks, trade secrets, patents, moral rights, contract and licensing rights. Consultant agrees not to challenge the validity of Service Recipient's ownership in the Work Product, and Consultant agrees to take all reasonable steps requested by Service Recipient at Service Recipient's expense to perfect its ownership rights in the Work Product. If Consultant has any rights to the Work Product that cannot be assigned to Service Recipient, Consultant unconditionally and irrevocably waives the enforcement of such rights.

(f) Defend Trade Secrets Act Limitations. Notwithstanding Consultant's confidentiality obligations set forth above, Consultant understands that, pursuant to the Defend Trade Secrets Act of 2016, Consultant will not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that: (i) is made (A) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney; and (B) solely for the purpose of reporting or investigating a suspected violation of law; or (ii) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. Consultant understands that in the event it is determined that disclosure of trade secrets was not done in good faith pursuant to the preceding sentence, Consultant will be subject to substantial damages, including punitive damages and attorneys' fees.

5. **Term and Termination.** Performance of the Services shall commence on the Closing Date (as defined in that certain Asset Purchase Agreement by and between Service Recipient, Truweo, LLC, Squatty Potty, LLC and only for the purposes of certain sections thereof, the key owners of Squatty Potty, LCC that are party thereto, dated effective as of May 5, 2021 (the "Purchase Agreement") and continue through the first to occur of: (a) the Expiration Date (as defined in the Transition Services Agreement (as defined in the Purchase Agreement)), (b) Consultant's failure (other than a good faith attempt to provide the Services) or refusal to provide Services as identified in Exhibit A, only after written notice from Service Recipient to Consultant of the Services that are not being performed and only if Consultant fails to cure or provide a good faith reason as to why the Services are unable to be performed within 10 days of receipt of such written notice (in either case the term shall not end), or (d) upon 30 days' written notice from Consultant (provided, however, that upon receipt of such notice from Consultant, Service Recipient may accelerate the termination date). Service Recipient or Consultant may also terminate this Agreement in the event of a material breach of this Agreement subject to written notice and an opportunity to cure if curable within 10 days by the other party.

6. **Independent Contractor**. Consultant's relationship with Service Recipient will be that of an independent contractor and not that of an employee. Consultant shall be solely responsible for determining the method, details and means of performing the Services; provided, however, that Consultant shall not subcontract any work in a manner inconsistent with the Transition Services Agreement (as defined in the Purchase Agreement) or without the written consent of the Service Recipient. Consultant has no authority to enter into contracts that bind Service Recipient or create obligations on the part of Service Recipient without the prior written authorization of Service Recipient. Consultant acknowledges and agrees that Consultant will not be eligible for any Service Recipient employee benefits. Consultant shall have full responsibility for applicable taxes for all compensation paid to Consultant under this Agreement, and for compliance with all applicable labor and employment requirements with respect to Consultant's form of business organization.

7. **Services for Competitors**. During the term of this Agreement, Consultant will not provide consulting or other services for any business, including worldwide retail and online sale, that could reasonably be deemed to compete with the products sold as part of the Acquired Assets, anywhere in world. Notwithstanding the foregoing, nothing contained in this Section 7 shall prohibit Consultant from (i) the passive ownership of less than 2% of any class of stock listed on a national securities exchange or traded in the over-the-counter market, or (ii) Consultant's continued employment by Squatty Potty, LLC and performance of services on behalf of Squatty Potty, LLC in accordance with the Transition Services Agreement.

8. **Non-Solicitation**. Consultant represents and warrants that during the term of the Agreement and for a period of 12 months thereafter, Consultant will not, without Service Recipient's express written consent, either directly or indirectly, solicit any employee, contractor, or consultant of the Company Group to terminate his, her, or its relationship with the Company Group.

9. **Non-Interference**. Service Recipient agrees that it shall not unreasonably interfere with Consultant's efforts and ability to provide the Services. Unreasonable interference shall include, but is not limited to, causing delays which compel Consultant's non-performance of the Services or impedes Consultant's ability to deliver the Services, requiring unlawful conduct to deliver the Services, Company Group's failure to perform under (as applicable) the Purchase Agreement or the Transition Services Agreement, and rejecting the reasonable recommendations or decisions that allow for the performance of the Services.

10. **Miscellaneous**. Any term of this Agreement may be amended or waived only with the written consent of the parties. This Agreement, including the Exhibits hereto, constitutes the sole agreement of the parties and supersedes all oral negotiations and prior writings with respect to the subject matter hereof. Any notice required or permitted by this Agreement shall be in writing and shall be deemed sufficient upon receipt, when delivered personally or by courier, email, overnight delivery service or confirmed facsimile, and 48 hours after being deposited in the regular mail as certified or registered mail. The validity, interpretation, construction and performance of this Agreement shall be governed by the laws of the State of New York, without giving effect to the principles of conflict of laws. In the event of any dispute or action arising out of this Agreement, such action shall be brought and maintained exclusively in New York, New York. If one or more provisions of this Agreement are held to be unenforceable under applicable law, the parties agree to renegotiate such provision in good faith. In the event that the parties cannot reach a mutually agreeable and enforceable replacement for such provision, then (a) such provision shall be excluded from this Agreement, (b) the balance of the Agreement shall be interpreted as if such provision were so excluded and (c) the balance of the Agreement shall be enforceable in accordance with its terms. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together will constitute one and the same instrument.

11. **Survival**. Sections 4, 6, 8, 10, and 11 shall survive the termination of this Agreement.

12. **Corporate Power**. Consultant and Service Recipient represent and warrant that each party has all necessary power to enter into this Agreement, and that, in connection with the provision of Services, Consultant shall comply with all applicable laws.

13. **Sole Agreement**. This Agreement is the sole agreement between the parties with respect to the subject matter hereof and may be amended only by an instrument in writing executed by the parties hereof.

14. **Questionnaires; Investor Status; Registration; Trading Restrictions**.

(a) Questionnaires. As a pre-requisite to receive payment of the Fees in the form of common stock of Aterian, Inc. ("Parent"), if applicable, Consultant shall complete an Investor Questionnaire, in substantially the form attached hereto as Exhibit C, on the date on which this Agreement is executed and, upon Service Recipient's request, prior to the date on which the shares to be issued as set forth on Exhibit B are issued to Consultant. In addition, to the extent that such shares are registered by Parent, Consultant shall also complete a Selling Stockholder Questionnaire, in substantially the form of such questionnaire as is attached as an exhibit to the Purchase Agreement within five business days of the issuance of such shares.

(b) Accredited Investor Status. Notwithstanding any provisions of this Agreement (including Exhibit B) to the contrary, in the event Parent believes in its reasonable discretion that Consultant is not an "accredited investor" as defined in Rule 501(a) of Regulation D promulgated under the Securities Act of 1933, as amended (the "Securities Act"), Parent may determine in its discretion, to be exercised in good faith, to pay the Fees that would otherwise be due under this Agreement to Consultant in the form of cash only, and not in the form of Parent Common Stock (as defined in the Purchase Agreement), with the amount of cash to be paid in lieu of any such Parent Common Stock with respect thereto to be calculated based on the Parent Stock Price (as defined in the Purchase Agreement).

(c) Piggy-Back Registration. If, following the issuance of any shares of Parent Common Stock pursuant to this Agreement, Parent shall determine to prepare and file with the Securities and Exchange Commission a Registration Statement (as defined in the Purchase Agreement) relating to an offering for the account of others under the Securities Act of any of its equity securities, other than on Form S-4 or Form S-8 (each as promulgated under the Securities Act) or their then equivalents relating to equity securities to be issued solely in connection with any acquisition of any entity or business or equity securities issuable in connection with Parent's stock option or other employee benefit plans, then Service Recipient or Parent shall deliver to Consultant a written notice of such determination and, if within 15 days after the date of the delivery of such notice, Consultant shall so request in writing, Service Recipient will cause Parent to include in such registration statement all or any part of the shares of Parent Common Stock issued hereunder that Consultant requests to be registered.

(d) Trading Restrictions. Consultant agrees that, following the issuance of any shares of Parent Common Stock pursuant to this Agreement, for so long as it holds any of the outstanding shares of Parent Common Stock it shall not, directly or indirectly, sell, transfer or otherwise dispose of any such shares if such sale, transfer or other disposition would exceed 10% of the average daily trading volume of Parent Common Stock, as reported on Nasdaq (as defined in the Purchase Agreement), for the 10 consecutive Trading Days (as defined in the Purchase Agreement) ending on the Trading Day immediately preceding such sale, transfer or other disposition. From and after the date on which any shares of Parent Common Stock are issued to Consultant pursuant to this Agreement, upon written notice from Service Recipient or Parent (each such notice, a "Trading Report Request"), Consultant shall be required to promptly, and in any event not later than two Business Days (as defined in the Purchase Agreement) from delivery of a Trading Report Request, provide to Service Recipient or Parent copies of trading statements for such periods specified in the applicable Trading Report Request, from Consultant's broker, stock representative, registered representative, or other similar representative, as applicable, evidencing compliance with this Section 14(d).

15. **Release**

(a) In consideration of the Service Recipient entering into this Agreement and the potential Fees Consultant may earn hereunder, Consultant hereby releases and discharges Service Recipient, its parents, subsidiaries, and other affiliates, and each of their respective directors, officers, employees, members, agents, employee benefit plans, successors and assigns (collectively, "Company Affiliates") from any and all claims, known or unknown, arising on or before the date Consultant executes this Release (as set forth in Consultant's signature block below), whether in contract, including, but not limited to, claims for severance or separation pay, in tort or that are statutory in nature, which Consultant may have or could claim to have against Service Recipient or any Company Affiliate, including, but not limited to, claims for employment or reinstatement, discrimination, harassment or retaliation, attorneys' fees, damages or other monies arising out of or occasioned by Consultant's employment with Squatty Potty, LLC and its affiliates or its termination, including, but not limited to, claims arising under Title VII of the Civil Rights Act of 1964, the Age Discrimination in Employment Act and the Older Workers Benefit Protection Act, the Americans With Disabilities Act, the Family and Medical Leave Act, the National Labor Relations Act, the Labor Management Relations Act (the Taft-Hartley Act), Employee Retirement Income Security Act (excluding claims for accrued vested benefits under any company sponsored tax-qualified pension plan in accordance with the terms of such plan and applicable law), the Worker Adjustment Retraining Notification Act, each as amended, any and all federal civil rights statutes, including, but not limited, to 42 USC § 1981, 1981a, 1983, 1985 and 1986, and any other federal, state or local law, including, but not limited to, those that protect employees against discrimination, retaliation and harassment in employment, that may apply to Consultant (collectively, the "Released Claims"). Consultant represents and agrees that by signing below Consultant has not commenced or joined in any claim, charge, action or proceeding whatsoever against Service Recipient or any of the Company Affiliates in any forum relating to any of the Released Claims. Consultant further agrees not to sue Service Recipient or any Company Affiliate based upon or in connection with any of the Released Claims. Consistent with this Release, Consultant shall not sue or participate in any action seeking damages or relief against Service Recipient or any Company Affiliate based upon or in connection with any Released Claims.

(b) This Section 15 does not apply to claims: (i) that may arise after Consultant executes this Release; (ii) that Consultant may have under COBRA; (iii) that Consultant may have for unemployment insurance benefits or workers' compensation benefits; or (iv) that may not be released as a matter of applicable law. In addition, nothing herein is intended to interfere with Consultant's right to file or participate in any investigation or proceeding conducted by the Equal Employment Opportunity Commission, National Labor Relations Board, or a similar federal or state fair employment practices agency; provided that, Consultant acknowledges and agrees that, by virtue of this Release, Consultant has waived any available relief (including, but not limited to, monetary damages, equitable relief and reinstatement) under any of the claims and/or causes of action waived in this Agreement. In addition, for the avoidance of doubt, nothing contained herein shall prohibit Consultant from reporting a suspected violation of law to the appropriate governmental authority or agency.

(c) Consultant expressly acknowledges that this Section 15 is intended to include in its effect, without limitation, all claims Consultant does not know or suspect to exist in Consultant's favor at the time of signing this Release, and that this Release contemplates the extinguishment of any such claims. Consultant expressly waives any rights Consultant may have under any applicable federal, state or local statute that would exclude unknown or unsuspected claims from a general release.

(d) Consultant understands that Consultant is under no obligation to execute this Agreement and the waiver of unknown or unsuspected claims, and Consultant acknowledges that Consultant is executing this Release knowingly and voluntarily and that Consultant has been advised to consult with an attorney of Consultant's choice about it and have been given an opportunity to do so. Consultant agrees that Consultant has carefully read this Agreement in its entirety and fully understand the significance of all of the terms and conditions of this Section 15.

(e) Consultant further acknowledges that Consultant later may discover facts different from or in addition to those Consultant now knows or believes to be true regarding the matters released or described in this Section 15, and even so Consultant agrees that the releases and agreements contained in this Section 15 shall remain effective in all respects notwithstanding any later discovery of any different or additional facts. Consultant expressly assume any and all risk of any mistake in connection with the true facts involved in the matters, disputes or controversies released or described in this Release or with regard to any facts now unknown to Consultant relating thereto.

(f) Consultant acknowledges that Consultant has no basis to believe that Consultant has been discriminated against on any basis, including, without limitation, age, gender, national origin, and sexual orientation.

(g) Consultant and Service Recipient acknowledge that it is the desire and intent of both Consultant and Service Recipient that the provisions of this Section 15 shall be enforced to the fullest extent permissible under the laws and public policies in each jurisdiction in which enforcement is sought. In the event that any one or more provisions of this Section 15 is held invalid, illegal or unenforceable, the validity, legality and enforceability of the remainder of this Section 15 will not in any way be affected or impaired thereby.

[*The remainder of this page is intentionally left blank.*]

The parties have executed this Agreement on the respective dates set forth below.

ATERIAN GROUP, INC.

By: /s/ Yaniv Sarig
Name: Yaniv Sarig
Title: President and Chief Executive Officer

Date: May 5, 2021

JEFF ELA

/s/ Jeff Ela

Date: May 5, 2021

Address:

[***]

[***]

Exhibit 10.5

TRANSITION SERVICES AGREEMENT

This TRANSITION SERVICES AGREEMENT (as amended, restated, supplemented or otherwise modified in accordance with Section 13.05 hereof, this "**Agreement**"), dated effective as of May 5, 2021 (the "**Effective Date**"), is made and entered into between Squatty Potty, LLC, a Delaware limited liability company ("**Service Provider**"), and Truweo, LLC, a Delaware limited liability company ("**Acquisition Sub**" and, collectively with each of its subsidiaries, "**Recipient**") (each of Service Provider and Recipient, a "**Party**" and, together, the "**Parties**"). All capitalized terms used herein but not defined in ARTICLE I hereof shall have the meaning assigned to them in the Asset Purchase Agreement (as defined below).

RECITALS

WHEREAS, (i) Aterian, Inc., a Delaware corporation ("**Parent**"), and Acquisition Sub (together with Parent, "**Purchaser**"), (ii) Service Provider, and (iii) only for the purposes of certain stated sections, Edwards SP Holdings, LLC, Team Lindsey, LLC, SLEKT Investments, LLC, Sachs Capital Fund II, LLC, Sachs Capital-Squatty, LLC and Bevel Acquisition II, LLC, entered into that certain Asset Purchase Agreement, dated as of the Effective Date (as amended, restated, supplemented or otherwise modified in accordance with its terms, the "**Asset Purchase Agreement**"), pursuant to which Recipient purchased the Acquired Assets and assumed the Assumed Liabilities;

WHEREAS, in an effort to ensure an orderly transition of the Acquired Assets to Purchaser, in connection with, and as a condition to, the consummation of the Transactions, Service Provider has agreed to provide the Services to the Recipient from and after the Effective Date, pursuant to the terms and conditions set forth in this Agreement; and

WHEREAS, the execution, delivery and performance of this Agreement by the Parties is a condition to the consummation of the Transactions.

AGREEMENT

NOW, **THEREFORE**, in consideration of the foregoing and of the mutual agreements contained herein, and for other good and valuable consideration, the value, receipt and sufficiency of which are acknowledged, and intending to be legally bound hereby, the Parties hereby agree as follows:

ARTICLE I

DEFINITIONS; RULES OF CONSTRUCTION

Section 1.01 Definitions. All For purposes of this Agreement, the following terms have the meanings set forth below:

(a) "**Acquisition Sub**" has the meaning set forth in the Preamble.

(b) "**Agreement**" has the meaning set forth in the Preamble.

(c) "**Asset Purchase Agreement**" has the meaning set forth in the Recitals.

(d) "**Audit Right**" has the meaning set forth in Section 4.06.

(e) "**Billing Period**" has the meaning set forth in Section 4.03.

(f) "**Claim**" means any claim (including any cross-claim or counterclaim), cause of action, allegation, charge, complaint, demand, dispute and other assertion of Liability, whenever or however arising, including by Law, Contract, tort, equity or otherwise.

(g) "**Completion Notice**" has the meaning set forth in Section 3.02(b).

(h) "**Early Termination Consequence**" has the meaning set forth in Section 3.02(a).

(i) "**Effective Date**" has the meaning set forth in the Preamble.

(j) "**Expiration Date**" has the meaning set forth in Section 3.01.

(k) "**Invoice**" has the meaning set forth in Section 4.03.

(l) "**Objective Standard of Completion**" means, with respect to any Service, the standards and requirements set forth on the Transition Services Schedule corresponding to such Service.

(m) "**Parent**" has the meaning set forth in the Preamble.

(n) "**Party**" and "**Parties**" have the meanings set forth in the Preamble

(o) "**Payment Due Date**" has the meaning set forth in Section 4.04.

(p) "**Point of Contact**" has the meaning set forth in ARTICLE X.

(q) "**Recipient**" has the meaning set forth in the Preamble.

(r) "**Service**" and "**Services**" have the meanings set forth in Section 2.01.

(s) "**Service Fee**" has the meaning set forth in Section 4.01.

(t) "**Service Period**" has the meaning set forth in Section 3.01.

(u) "**Service Provider**" has the meaning set forth in the Preamble.

(v) "**Service Provider Sales Tax**" has the meaning set forth in Section 4.01.

(w) "**Tax Amount**" has the meaning set forth in Section 4.01.

(x) "**Tax Authority**" means any Governmental Authority having the power to impose, regulate, collect or administer the imposition of Taxes, including the Internal Revenue Service and any state or local department of revenue.

(y) "**Termination Notice**" has the meaning set forth in Section 3.02(a).

(z) "**Transition Period**" has the meaning set forth in the Fee Schedule section of Schedule I.

(aa) "**Transition Services Schedule**" has the meaning set forth in Section 2.01.

Section 1.02 Rules of Construction. The following rules of construction shall govern the interpretation of this Agreement: (a) all references to Articles, Sections, Exhibits or Schedules are to Articles, Sections, Exhibits or Schedules in this Agreement; (b) each accounting term not otherwise defined in this Agreement has the meaning assigned to it in accordance with GAAP; (c) unless the context otherwise requires, words in the singular or plural include the singular and plural, and pronouns stated in either the masculine, the feminine or neuter gender shall include the masculine, feminine and neuter; (d) whenever the words "include," "includes" or "including" are used in this Agreement they shall be deemed to be followed by the words "but not limited to;" (e) the word "extent" in the phrase "to the extent" shall mean the degree to which a subject or other thing extends, and such phrase shall not simply mean "if;" (f) references to any statute, rule, regulation or form (including in the definition thereof) shall be deemed to include references to such statute, rule, regulation or form as amended, modified, supplemented or replaced from time to time (and, in the case of any statute, include any rules and regulations promulgated under such statute), and all references to any section of any statute, rule, regulation or form include any successor to such section; (g) when calculating the period of time before which, within which or following which any act is to be done or step taken pursuant to this Agreement, the date that is referenced in beginning the calculation of such period will be excluded (for example, if an action is to be taken within two days after a triggering event and such event occurs on a Tuesday, then the action must be taken on or prior to Thursday); if the last day of such period is a non-Business Day, the period in question will end on the next succeeding Business Day; (h) time is of the essence with regard to all dates and time periods set forth or referred to in

this Agreement; (i) the subject headings of Articles and Sections of this Agreement are included for purposes of convenience of reference only and shall not affect the construction or interpretation of any of its provisions; (j) (i) the terms "hereof," "herein," "hereby," "hereto," and derivative or similar words refer to this entire Agreement, including the Schedules and Exhibits hereto; and (ii) the term "any" means "any and all", and (iii) the term "or' shall not be exclusive and shall mean "and/or;" (k) (i) references to "days" means calendar days unless Business Days are expressly specified, (ii) references to "$" mean U.S. dollars; (l) the Parties intend that each representation, warranty, covenant and agreement contained herein shall have independent significance, and if any Party has breached any representation, warranty, covenant or agreement contained herein in any respect, the fact that there exists another representation, warranty, covenant or agreement relating to the same or similar subject matter that the Party has not breached shall not detract from or mitigate the fact that the Party is in breach of the first representation, warranty, covenant or agreement; (m) all uses of "written" contained in this Agreement shall be deemed to include information transmitted via e-mail, facsimile or other electronic transmission; (n) any drafts of this Agreement circulated by or among the Parties prior to the final fully executed drafts shall not be used for purposes of interpreting any provision of this Agreement, and each of the Parties agrees that no Party shall make any Claim, assert any defense or otherwise take any position inconsistent with the foregoing in connection with any dispute or Proceeding among any of the foregoing or for any other purpose; and (o) the Parties have participated jointly in the negotiation and drafting of this Agreement; in the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the Parties, and no presumption or burden of proof shall arise favoring or disfavoring any Party by virtue of the authorship of any of the provisions of this Agreement and the language used in it will be deemed to be the language chosen by the Parties to express their mutual intent.

ARTICLE II

SERVICES PROVIDED

Section 2.01 Transition Services. Subject to the terms and conditions provided herein, Service Provider shall provide, or cause to be provided, to Recipient the service(s) set forth in the Transition Services Schedule attached hereto as Schedule I (the "**Transition Services Schedule**"), which Transition Services Schedule constitutes part of this Agreement. Each discrete service set forth in the Transition Services Schedule shall be referred to herein as a "**Service**" and collectively, all the services set forth on the Transition Services Schedule shall be referred to herein as "**Services**."

Section 2.02 Transition of Assets. Upon the expiration or earlier termination of this Agreement, Service Provider shall reasonably cooperate with Recipient to facilitate the transfer of any remaining Specified Inventory acquired pursuant to the Asset Purchase Agreement, other inventory acquired after the Closing Date but held at Service Provider's facilities and premises or other Acquired Assets still in Service Provider's facilities and premises, to a location determined by Purchaser.

ARTICLE III

TERM AND TERMINATION

Section 3.01 Term. The term of this Agreement shall commence on the Effective Date and shall remain in effect until the six month anniversary of the Effective Date (the "**Expiration Date**"), unless earlier terminated pursuant to Section 3.02. With respect to each Service, the term of this Agreement shall commence on the Effective Date and shall remain in effect until the earlier of the Expiration Date, the completion of the Services by Service Provider as reasonably determined by Purchaser in good faith, or the date such Service is terminated pursuant to the terms of Section 3.02 (each, a "**Service Period**").

Section 3.02 Termination.

(a) Recipient may terminate this Agreement with respect to all or any one or more of the Services and release Service Provider from performance of the same immediately upon written notice to Service Provider (a "**Termination Notice**"). If Recipient provides a Termination Notice with respect to one or more (but not all) of the Services, as soon as reasonably practicable following receipt of a Termination Notice, Service Provider shall notify Recipient as to whether the termination of any Service or Services that are the subject of the Termination Notice will require termination or partial termination of any other Service or Services (an "**Early Termination Consequence**"). If Service Provider notifies Recipient of an Early Termination Consequence, Recipient may withdraw its Termination Notice within 10 days of such notification. If Recipient does not withdraw such Termination Notice within such time period, termination of such Services will be final, including with respect to the termination of any other Service or Services identified by Service Provider as an Early Termination Consequence. Recipient shall not have the right to reinstitute any Service once such Service has been terminated for any reason.

(b) With respect to any Service(s), at any time following Service Provider's good faith determination that Service Provider has completed such Service(s) in accordance with the corresponding Objective Standard of Completion set forth in the Transition Services Schedule, Service Provider may notify Recipient in writing of the completion of such Service (a "**Completion Notice**"). As soon as reasonably practicable following Recipient's receipt of a Completion Notice, but in any event within 10 days of such receipt, Recipient shall notify Service Provider as to any disagreement regarding the completion of such Service, together with a detailed description of any additional work that Recipient has in good faith determined is necessary for Service Provider to fulfill the relevant Objective Standard of Completion. If Recipient does not respond to such Completion Notice within such time period, completion of such Services will be final, and such Services will be deemed terminated as of the date of the Completion Notice.

(c) Service Provider may terminate this Agreement (with respect to all or with respect to any one or more of the Services) immediately upon written notice of termination to Recipient if Recipient breaches this Agreement and fails to cure such breach within 45 days after a written notice is delivered by Service Provider to Recipient.

(d) This Agreement will automatically terminate without any further action by either Party on the earlier of: (i) the Expiration Date or (ii) the date of termination or expiration of all Service Periods.

Section 3.03 Effect of Termination. Upon any termination or expiration of this Agreement, all rights, obligations and liabilities of the Parties under this Agreement shall terminate and become void, except that the following provisions shall survive such termination or expiration: this Section 3.03, ARTICLE I, ARTICLE VI, ARTICLE VIII, ARTICLE IX, ARTICLE XII, and ARTICLE XIII and any other definitions set forth in this Agreement necessary to interpret any of the foregoing provisions

referenced in this Section 3.03. In addition, all of Recipient's obligations to pay Service Provider any Services Fees that are outstanding under ARTICLE IV as of the termination date or expiration date of this Agreement shall survive any such termination or expiration of this Agreement. Notwithstanding the foregoing, in the event of any termination of this Agreement with respect to one or more, but less than all, of the Services, this Agreement shall continue in full force and effect with respect to any Services not terminated under Section 3.02 hereof.

ARTICLE IV

COMPENSATION

Section 4.01 Fees. In connection with the provision of a Service by Service Provider, subject to the terms and conditions set forth herein, Recipient agrees to pay to Service Provider amounts as set forth on the Transition Services Schedule for such Services that are performed by Service Provider (the "**Service Fees**").

Section 4.02 Taxes. To the extent that any sales Taxes or other similar Taxes are applicable to any of the Service Fees (the "**Service Provider Sales Tax**"), Service Provider is liable to account for and remit such Service Provider Sales Taxes to the relevant Tax Authorities according to applicable Law. Service Provider can charge such Service Provider Sales Taxes (the "**Tax Amount**") to Recipient and Recipient will pay Service Provider such amount in addition to the Service Fees paid pursuant to Section 4.01 upon receipt of any documentation as may be requested by Recipient to assist it in substantiating or recovering such Service Provider Sales Taxes. In the event that applicable Laws require that any portion of a Tax Amount be withheld from any payment by Recipient under this Agreement, then the sum payable by the Recipient shall be increased to the extent necessary to ensure that after the making of that deduction or withholding of the Service Provider Sales Tax, the Service Provider receives a net amount equal to the amount that the Service Provider would have received had no such deduction or withholding been made. For the avoidance of doubt, the Recipient has no obligation to reimburse the Service Provider for, or increase the sum payable to the Service Provider in respect of, any Taxes imposed on or measured by income or similar Taxes.

Section 4.03 Invoices. In each month during the Term, Service Provider shall deliver to Recipient an invoice on the first day of such month and the 15th day of such month (or if not on a Business Day, then the first Business Day immediately preceding such day) (each invoice for the period of time commencing on the day of such invoice and continuing until the day of the next invoice, a "**Billing Period**") for the Services to be performed by Service Provider in such Billing Period (each, an "**Invoice**"); *provided* that no Invoice shall be for an amount in excess of one half (1/2) of the maximum monthly amount of the Service Fee set forth on the Transition Services Schedule. Such Invoice shall set forth (a) a description of the Services to be performed by Service Provider during such Billing Period, (b) an itemized calculation of the Service Fees for each of the Services to be performed by Service Provider during such Billing Period, (c) an itemized calculation of the Tax Amounts in respect of such Services, and (d) payment instructions, including all wire transfer information, for the payment of such Service Fees and Tax Amounts.

Section 4.04 Payment. All amounts required to be paid by Recipient under this Agreement shall be due in cash within 10 days of Recipient's receipt of the applicable Invoice (the "**Payment Due Date**"). Payment shall be deemed made on the date Recipient's wire transfer is received by Service Provider.

Section 4.05 Right to Suspend Services. If payment in full of any Invoice is not received by Service Provider from Recipient on or prior to the applicable Payment Due Date, in addition to all other rights of Service Provider hereunder, Service Provider shall have the right, after giving 10 days' prior written notice thereof to Recipient, to suspend all or any portion of the Services until such time as Recipient has paid in full all amounts then due, including any accrued interest. After such payment in full is received and as long as Recipient continues to perform hereunder, Service Provider shall promptly resume providing, or causing to be provided, the Services to Recipient until the Expiration Date, subject to earlier termination thereof in accordance with ARTICLE III.

Section 4.06 Audit Right. Service Provider shall keep and maintain all books and records relating to the Services. At any time during the term of this Agreement and for one year thereafter, Recipient shall have the right, at Recipient's expense, to audit, examine and make copies of or extracts from the books and records of Service Provider (the "**Audit Right**"), to the extent necessary to verify the performance by Service Provider of the Services and its obligations under this Agreement. Recipient may exercise the Audit Right through such auditors (or other Representatives) as it may determine in its sole discretion. Recipient shall (a) exercise the Audit Right only upon reasonable written notice to Service Provider and during normal business hours and (b) use its reasonable efforts to conduct the Audit Right in such a manner as to minimize the inconvenience and disruption to Service Provider. All documentation and information provided under this Section 4.06 in connection with any such review or audit shall be subject to Section 8.01.

ARTICLE V

STANDARD OF CARE; GENERAL OBLIGATIONS

Section 5.01 Service Provider Standard of Care. Service Provider hereby agrees to use commercially reasonable efforts in good faith to provide, or cause to be provided, Services in compliance with applicable Laws and in a timely, efficient and workmanlike manner, with the degree of skill and level of care no less in quality than that with which such Services were performed in the ordinary course of business by Service Provider prior to the date hereof. Service Provider agrees to assign sufficient resources and qualified personnel as are reasonably required to perform the Services in accordance with the standards set forth in the preceding sentence.

Section 5.02 Recipient Standard of Care. Recipient shall (a) promptly provide Service Provider and its subcontractors with resources and materials and complete and accurate information and documentation, in each case, reasonably sufficient for Service Provider to perform, or cause to be performed, its obligations hereunder in a timely manner, and (b) provide Service Provider and its subcontractors with timely decisions, approvals and acceptances so that Service Provider may accomplish its obligations hereunder in a timely manner.

Section 5.03 Title; License. Unless transferred to Purchaser as an Acquired Asset under the Asset Purchase Agreement, Service Provider represents that (a) it has, directly or indirectly, good and valid title to, or a valid leasehold or license interest in (including the right to give Recipient any access specified in this Agreement), all of the equipment, hardware, intellectual property, IT systems, software and other assets necessary for the provision of the Services by Service Provider or its Affiliates, and (b) each of the foregoing are fit for the purpose of providing the Services. Service Provider further represents that the assets licensed or leased from a third party and used in connection with providing the Services are subject to a valid and existing license or lease agreement, and neither Service Provider nor the licensor or lessor, as applicable, is, or would be as a result of providing the Services, in breach or default of any such agreement.

Section 5.04 Cooperation; Consents. Service Provider shall use commercially reasonable efforts to obtain any consents, permits, approvals or licenses, implement any systems and to take, or cause to be taken, any and all other actions necessary or advisable for Service Provider to provide the Services. In the event that Service Provider is unable to obtain any consent, permit, approval or license, the Parties will work together to agree upon a commercially reasonable alternative arrangement.

ARTICLE VI

RELATIONSHIP BETWEEN THE PARTIES

Section 6.01 Relationship. This Agreement does not constitute a partnership, joint venture or formal business organization of any kind. The Service Provider is an independent contractor for all purposes hereunder. The Service Provider shall have complete control over the performance of, and the details for accomplishing, the Services. In no event shall the Service Provider or any of its Affiliates or any of their respective agents, representatives or employees be deemed to be agents, representatives or employees of the Recipient. The Service Provider's employees shall be paid exclusively by the Service Provider for all Services performed hereunder.

ARTICLE VII

SUBCONTRACTORS

Section 7.01 Subcontractors. Service Provider shall have the right to subcontract to any Person all or part of its obligations under this Agreement only with the prior written consent of the Recipient and if such written consent is provided in no event shall the Service Fee charged to Recipient by Service Provider in respect of any Service(s) increase as a result of any such subcontracting by Service Provider of such Service(s). Subject to the terms and conditions of this Agreement, Service Provider shall remain responsible for the performance of subcontracted Services by such subcontractor under this Agreement. Service Provider shall have the right to designate which of its employees or subcontractors will furnish Services to Recipient, and may remove and/or replace any such employees or subcontractors in its sole discretion.

ARTICLE VIII

CONFIDENTIALITY

Section 8.01 Confidentiality. Service Provider acknowledges and agrees that this Agreement and the transactions contemplated hereby are deemed to be "Confidential Information" and shall be subject to the confidentiality provisions set forth in Section 5.13 of the Asset Purchase Agreement.

ARTICLE IX

LIMITATION OF LIABILITY AND DISCLAIMER

Section 9.01 LIMITATION OF LIABILITY. IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER PARTY FOR ANY CONSEQUENTIAL, INCIDENTAL, OR SPECIAL DAMAGES SUFFERED BY THE OTHER PARTY ARISING OUT OF A BREACH OF THIS AGREEMENT. EACH PARTY'S MAXIMUM LIABILITY TO, AND THE SOLE REMEDY OF, SUCH PARTY FOR ANY BREACH OF THIS AGREEMENT OR OTHERWISE WITH RESPECT TO SERVICES SHALL NOT EXCEED THE AMOUNTS PAID FOR SERVICES UNDER THIS AGREEMENT.

Section 9.02 DISCLAIMER. EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, INCLUDING ALL SCHEDULES, NEITHER PARTY MAKES ANY REPRESENTATIONS OR WARRANTIES TO THE OTHER REGARDING ITS PERFORMANCE OF ANY SERVICES PROVIDED HEREUNDER, WHETHER EXPRESS, IMPLIED OR OTHERWISE, AND BOTH PARTIES EXPRESSLY DISCLAIM ANY IMPLIED WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE, TITLE, NON-INFRINGEMENT, AND MERCHANTABILITY.

ARTICLE X

POINTS OF CONTACT

Section 10.01 Relationship. Service Provider and Recipient shall each appoint an individual to act as its point of contact (each, a "**Point of Contact**") to deal with issues arising out of the performance of this Agreement, and to facilitate orderly provision and receipt of the Services. Initially the Point of Contact for Service Provider shall be Bernie Kropfelder, c/o Jones, Waldo, Holbrook & McDonough, PC (Telephone: […***…]; Email Address: […***…]) and for Recipient shall be Christopher Porcelli (Telephone: […***…]; Email Address: […***…]). Each Party agrees to provide reasonable access (in person, by telephone or electronically via e-mail) during normal business hours to its Point of Contact for problem resolution. Either Party may replace its Point of Contact at any time with another individual of similar seniority by providing notice in accordance with Section 13.02.

ARTICLE XI

ACCESS

Section 11.01 Recipient Access. Service Provider shall provide, and cause its Affiliates and other agents to provide, to Parent and its accounting, legal and other representatives, as well as their respective officers, employees, Affiliates and other agents, access at all reasonable times and during normal business hours, upon reasonable advanced notice, to the Service Provider's facilities and personnel as Recipient deems reasonably necessary or advisable, including in connection with the receipt of the Services and for the purpose of conducting inventory counts or inspections of any Acquired Assets stored at such facilities or in connection with the exercise of Recipient's Audit Rights. Recipient agrees that it and any of its accounting, legal and other representatives, as well as their respective officers, employees, Affiliates and other agents that access Service Provider's facilities shall use commercially reasonable efforts to conform to those policies, rules and procedures applicable to working onsite at Service Provider's facilities, *provided* that Service Provider has provided a copy of such policies to the Recipient in advance of such access.

ARTICLE XII

INTELLECTUAL PROPERTY

Section 12.01 Intellectual Property Ownership. Except as expressly set forth in this Agreement, no license, title, ownership or other Intellectual Property rights are transferred from either Party to the other Party or its Affiliates, and each Party retains all such rights, title, ownership and other interest in its Intellectual Property, as well as in its information technology systems, platforms, applications and all other software, hardware, systems and resources it uses to provide or receive the Services, as applicable.

Section 12.02 Limited Licenses to Use Intellectual Property. Subject to the terms and conditions of this Agreement, (a) Service Provider hereby grants to Recipient a non-exclusive, royalty-free right and license to use, solely during the term of this Agreement, any and all relevant and applicable Intellectual Property owned or licensable by Service Provider, but solely to the extent necessary for Recipient to receive and use the Services under this Agreement, and (b) Recipient hereby grants to Service Provider a non-exclusive, royalty-free right and license to use, solely during the term of this Agreement, any and all relevant and applicable Intellectual Property owned or licensable by Recipient, but solely to the extent necessary to enable Service Provider to provide the Services.

ARTICLE XIII

MISCELLANEOUS

Section 13.01 Expenses. Except as otherwise provided herein, all fees and expenses incurred in connection with or related to this Agreement and the transactions contemplated hereby shall be paid by the Party incurring such fees or expenses, whether or not such transactions are consummated.

Section 13.02 Notices. All notices and other communications made pursuant to or under this Agreement shall be in writing and shall be deemed to have been duly given or made (a) when personally delivered, (b) as of the date transmitted when transmitted by electronic mail, (c) one Business Day after deposit with a nationally recognized overnight courier service, or (d) three Business Days after the mailing if sent by registered or certified mail, postage prepaid, return receipt requested. All notices and other communications under this Agreement shall be delivered to the addresses set forth below, or such other address as such Party may have given to the other Parties by notice pursuant to this Section 13.02 (or in the case of counsel, to such other readily ascertainable business address as such counsel may hereinafter maintain):

If to Service Provider:

Squatty Potty, LLC
Attention: Bernie Kropfelder, c/o Jones, Waldo, Holbrook & McDonough, PC at address set forth below

With a copy (which shall not constitute notice) to:

Jones, Waldo, Holbrook & McDonough, PC
170 S. Main St. Ste. 1500
Salt Lake City, UT 84101
E-Mail: [***]
Attention: Daniel Daines

If to Recipient:

Aterian, Inc.
37 East 18th St., 7th Floor
New York, NY 10003
E-Mail: [***]
Attention: Christopher Porcelli, Associate General Counsel

With a copy (which shall not constitute notice) to:

Paul Hastings LLP
1117 S California Ave,
Palo Alto, CA 94304
E-Mail: [***]
Attention: Jeff Hartlin

Section 13.03 Severability. If any term or provision of this Agreement is held invalid, illegal or unenforceable in any respect under any applicable Law, the validity, legality and enforceability of all other terms and provisions of this Agreement will not in any way be affected or impaired. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated by this Agreement be consummated as originally contemplated to the greatest extent possible.

Section 13.04 Entire Agreement. All references in this Agreement shall include all Exhibits and Schedules hereto. This Agreement the Purchase Agreement, and the Ancillary Agreements constitute the entire agreement of the Parties relating to the subject matter hereof and thereof and supersede all prior agreements or understandings between the Parties with respect to such subject matter. The Parties each acknowledge and agree that neither it nor any of its Affiliates or Representatives are making, and neither Party nor any of its Affiliates is relying upon, any representations, warranties or other statements by the other Party or any of its Affiliates or representatives except to the extent set forth in this Agreement.

Section 13.05 Amendments; Waiver. This Agreement may be amended, modified or waived only by the written agreement of the Parties. Unless otherwise specifically provided herein, no failure or delay of any Party to exercise any right or remedy given to such Party under this Agreement or otherwise available to such Party or to insist upon strict compliance by any other Party with its obligations hereunder and no single or partial exercise of any such right or power shall constitute a waiver of any Party's right to demand exact compliance with the terms hereof. Any written waiver shall be limited to those items specifically waived therein and shall not be deemed to waive any future breaches or violations or other non-specified breaches or violations unless, and to the extent, expressly set forth therein.

Section 13.06 Assignment; Successors and Assigns. This Agreement will be binding upon, inure to the benefit of and be enforceable by the Parties and their respective successors and permitted assigns, and will not be assignable or delegable by Service Provider, by operation of Law or otherwise, without the prior written consent of Recipient and, for the avoidance of doubt, nothing in this Agreement shall or is intended to limit the ability of Recipient to assign its rights or delegate its responsibilities, liabilities and obligations under this Agreement, in whole or in part, without the consent of Service Provider (a) to any Affiliate of Recipient, (b) in connection with a change of control of Recipient or (c) in the event of a sale of all or substantially all of the assets of Recipient. Any attempted assignment in violation of this Section 13.06 shall be void ab initio.

Section 13.07 Third Party Beneficiaries. This Agreement shall inure exclusively to the benefit of and be binding upon the Parties and their respective successors, permitted assigns, executors and legal representatives. Nothing in this Agreement, express or implied, is intended to confer on any Person (other than the Parties or their respective successors and permitted assigns) any rights, remedies, obligations or liabilities under or by reason of this Agreement.

Section 13.08 Remedies; Specific Performance.

(a) Except to the extent set forth otherwise in this Agreement, all remedies under this Agreement expressly conferred upon a Party will be deemed cumulative with and not exclusive of any other remedy conferred hereby, or at Law or in equity upon such Party, and the exercise by a Party of any one remedy will not preclude the exercise of any other remedy.

(b) The Parties agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. Accordingly, each of the Parties shall be entitled to enforce specifically the provisions of this Agreement, including obtaining an injunction or injunctions to prevent breaches or threatened breaches of this Agreement, in any court designated to resolve disputes concerning this Agreement (or, if such court lacks subject matter jurisdiction, in any appropriate state or federal court), this being in addition to any other remedy to which such Party is entitled at Law or in equity. Each Party further agrees not to assert and waives (a) any defense in any action for specific performance that a remedy at Law would be adequate and (b) any requirement under any Law to post security or provide indemnity as a prerequisite to obtaining equitable relief.

Section 13.09 Governing Law; Consent to Jurisdiction; Service of Process; Waiver of Jury Trial.

(a) This Agreement shall be construed and enforced in accordance with, and all questions concerning the construction, validity, interpretation, inducement to enter and/or performance of this Agreement (whether related to breach of contract, tortious conduct or otherwise and whether now existing or hereafter arising) shall be governed by, the internal Laws of the State of Delaware, without giving effect to any Law that would cause the Laws of any jurisdiction other than the State of Delaware to be applied.

(b) Each Party agrees that any Proceeding arising out of or relating to this Agreement or any transaction contemplated hereby shall be brought exclusively in the United States District Court for the District of Delaware or in the Court of Chancery of the State of Delaware (or, if such court lacks subject matter jurisdiction, in the Superior Court of the State of Delaware) and each of the Parties hereby submits to the exclusive jurisdiction of such courts for itself and with respect to its property, generally and unconditionally, for the purpose of any such Proceeding. A final judgment in any such Proceeding may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by Law. Each Party agrees not to commence any Proceeding arising out of or relating to this Agreement or the transactions contemplated hereby except in the courts described above (other than actions in any court of competent jurisdiction to enforce any judgment, decree or award rendered by any such court in Delaware as described above), irrevocably and unconditionally waives any objection to the laying of venue of any Proceeding arising out of or relating to this Agreement or the transactions contemplated hereby in any such court, and hereby irrevocably and unconditionally waives and agrees not to plead or Claim in any such court that any such Proceeding brought in any such court has been brought in an inconvenient forum or does not have jurisdiction over any Party. Each Party agrees that service of any process, summons, notice or document by U.S. registered mail to such Party's respective address set forth herein shall be effective service of process for any such Proceeding.

(c) EACH PARTY HEREBY IRREVOCABLY WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY PROCEEDING OR COUNTERCLAIM (WHETHER BASED ON CONTRACT, TORT, STATUTE OR OTHERWISE) ARISING OUT OF OR RELATING TO THIS AGREEMENT, THE TRANSACTIONS CONTEMPLATED HEREBY OR THE ACTIONS OF SUCH PARTY IN THE NEGOTIATION, ADMINISTRATION, PERFORMANCE AND ENFORCEMENT HEREOF. EACH PARTY FURTHER WAIVES ANY RIGHT TO SEEK TO CONSOLIDATE ANY PROCEEDING IN WHICH A JURY TRIAL HAS BEEN WAIVED WITH ANY OTHER PROCEEDING IN WHICH A JURY TRIAL CANNOT OR HAS NOT BEEN WAIVED. EACH PARTY CERTIFIES AND ACKNOWLEDGES THAT (I) NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED OR WARRANTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER, (II) EACH PARTY UNDERSTANDS AND HAS CONSIDERED THE IMPLICATIONS OF THIS WAIVER, (III) EACH PARTY MAKES THIS WAIVER VOLUNTARILY AND (IV) EACH PARTY HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 13.09.

Section 13.10 Force Majeure. Any failure by Service Provider to perform any obligations under this Agreement, if caused by or resulting from, in whole or in part, fire, flood, embargo, government regulation or administrative action, war, acts of war (whether war be declared or not), insurrection, riot, civil unrest, strike, lockout, terrorist act, act of God, or any other cause beyond Service Provider's reasonable control, shall not constitute a breach of any provision of this Agreement.

Section 13.11 Counterparts; Deliveries. This Agreement may be executed in multiple counterparts, each of which shall be deemed to be an original but all of which shall constitute one and the same agreement. This Agreement may be executed by facsimile or electronic (.pdf) signature and a facsimile or electronic (.pdf) signature shall constitute an original for all purposes.

Section 13.12 Further Acts; Cooperation. Each Party agrees that, upon reasonable request of the other Party from time to time, it shall execute and deliver, or cause to be executed and delivered, such further instruments and take such other actions as may be necessary or desirable to carry out the transactions contemplated by this Agreement.

[*The remainder of this page is intentionally left blank.*]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as of the Effective Date.

SERVICE PROVIDER:

SQUATTY POTTY, LLC

By: /s/ Bernie Kropfelder
Name: Bernie Kropfelder
Title: Chief Executive Officer

RECIPIENT:

TRUWEO, LLC

By: /s/ Yaniv Sarig
Name: Yaniv Sarig
Title: President and Chief Executive Officer

SHAREHOLDER AGREEMENT

THIS SHAREHOLDER AGREEMENT (as amended, restated, supplemented or otherwise modified in accordance with Section 10.3, this "**Agreement**") is made and entered into as of May 5, 2021 by and between Aterian, Inc., a Delaware corporation (the "**Company**"), and Josef Eitan (the "**Stockholder**").

RECITALS

WHEREAS, pursuant to that certain Stock Purchase Agreement, dated as of even date herewith (the "**Purchase Agreement**"), by and among the Company, Truweo, LLC, a Delaware limited liability company and wholly owned subsidiary of the Company ("**Acquisition Sub**"), the Stockholder, Ran Nir and Photo Paper Direct Ltd, a private limited company organized under the laws of England and Wales ("**PPD**"), the Company issued 528,411 shares of its common stock, $0.0001 par value per share (the "**Common Stock**"), to the Stockholder at the closing of Acquisition Sub's acquisition of 100% of the outstanding equity of PPD (such shares of Common Stock, the **"Closing Securities**"), for the benefit of the Stockholder thereunder;

WHEREAS, the Company has agreed, subject to the terms and conditions of the Purchase Agreement, to issue and deliver to the Stockholder additional shares of Common Stock as further consideration in the event that PPD achieves certain results of operations set forth in the Purchase Agreement during the 2021 calendar year (any such shares of Common Stock, the "**Earn-Out Securities**," and together with the Closing Securities, the "**Securities**");

WHEREAS, as a condition to entering into the Purchase Agreement, the Company has required that the Stockholder enter into this Agreement, and the Stockholder, in order to induce the Company to enter into the Purchase Agreement, desires to enter into this Agreement.

NOW, **THEREFORE**, in consideration of the foregoing premises and the mutual covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

AGREEMENT

1. DEFINITIONS.

1.1 Defined Terms. As used in this Agreement, the following terms shall have the following meanings:

(a) "**Affiliate**" and "**Associate**" shall have the respective meanings ascribed to such terms in Rule 12b-2 of the General Rules and Regulations under the Exchange Act.

(b) A Person shall be deemed the "**Beneficial Owner**" or to have "**Beneficial Ownership**" of and shall be deemed to "beneficially own" any securities which such Person or any of such Person's Affiliates or Associates is deemed to beneficially own, within the meaning of Rules 13d-3 and 13d-5 of the General Rules and Regulations under the Exchange Act.

Notwithstanding anything in this definition of Beneficial Ownership to the contrary, the phrase, "then outstanding," when used with reference to a Person's Beneficial Ownership of securities of the Company, shall mean the number of such securities then issued and outstanding together with the number of such securities not then actually issued and outstanding which such Person would be deemed the Beneficial Owner hereunder.

(c) "**Company Acquisition Transaction**" shall mean (i) the commencement (within the meaning of Rule 14d-2 of the General Rules and Regulations under the Exchange Act) of a tender or exchange offer by a third party for at least fifteen percent (15%) of the then outstanding capital stock of the Company or any direct or indirect Subsidiary of the Company, (ii) the commencement by a third party of a proxy contest with respect to the election of any directors of the Company, (iii) any sale, license, lease, exchange, transfer, disposition or acquisition of any portion of the business or assets of the Company or any direct or indirect Subsidiary of the Company (other than in the ordinary course of business), or (iv) any merger, consolidation, business combination, share exchange, reorganization, recapitalization, restructuring, liquidation, dissolution or similar transaction or series of related transactions involving the Company or any direct or indirect Subsidiary of the Company.

(d) "**Group**" shall have the meaning set forth in Section 13(d)(3) of the Exchange Act and Rule 13d-5 of the General Rules and Regulations under the Exchange Act.

(e) "**Subject Securities**" means the Securities, including any equity securities issued or issuable directly or indirectly with respect to such Securities by way of any stock dividend or stock split or in connection with a combination of shares, recapitalization, reclassification, merger, amalgamation, arrangement, consolidation or other reorganization.

(f) "**Subsidiary**" of any Person shall mean any corporation or other entity of which a majority of the voting power of the voting equity securities or equity interest is owned, directly or indirectly, by such Person.

(g) "**Voting Securities**" shall mean the shares of Common Stock; *provided*, *however*, that, "Voting Securities," when used in this Agreement in connection with a specific reference to any Person other than the Company, shall mean the capital stock (or equity interest) with the greatest voting power of such other Person or, if such other Person is a Subsidiary of another Person, the Person or Persons which ultimately control such first-mentioned Person.

1.2 Capitalized Terms. All other capitalized terms used herein but not defined shall have the meanings ascribed to such terms in the Purchase Agreement.

2. MATERIAL NON-PUBLIC INFORMATION; REPORTING OBLIGATIONS.

2.1 Stockholder acknowledges that it is aware, and will advise each of its representatives who are informed as to the matters that are the subject of the Purchase Agreement and this Agreement, that the United States securities laws may prohibit any person who has received from an issuer material, non-public information from purchasing or selling securities of such issuer or from communicating such information to any other person under circumstances in which it is reasonably foreseeable that such person is likely to purchase or sell such securities.

2.2 To the extent that Stockholder is required to do so by applicable law as result of the transactions contemplated by the Purchase Agreement, Stockholder acknowledges and agrees that it shall: (a) be solely responsible for the filing of (i) any Forms 3, 4 and 5 in accordance with Section 16(a) of the Exchange Act and the rules promulgated thereunder and (ii) any Schedule 13D or 13G, as applicable, under the Exchange Act and the rules promulgated thereunder, in each case, in respect of its ownership of a registered class of securities of the Company, and (b) timely file such forms and schedules or amendments thereto with the SEC and any stock exchange or similar authority, as required.

3. STANDSTILL.

3.1 Standstill Provisions. Commencing on the date of this Agreement and until the date that is the fifth (5th) anniversary of the date of this Agreement (the "**Standstill Period**"), the Stockholder agrees, on behalf of itself and its Affiliates and Associates, that for so long as such Persons collectively Beneficially Own any Voting Securities, except pursuant to a negotiated transaction with the Stockholder approved by the board of directors of the Company (the "**Board**"), the Stockholder will not (and will cause its Affiliates and Associates not to), in any manner, directly or indirectly:

(a) make, effect, initiate, cause or participate in (i) any acquisition of Beneficial Ownership of any securities of the Company (other than as a result of the Company's issuance of Earn-Out Securities to the Stockholder) or any securities of any Subsidiary or other Affiliate or Associate of the Company if such acquisition would result in the Stockholder and its Affiliates and Associates collectively Beneficially Owning ten percent (10%) or more of the then outstanding Voting Securities, (ii) any Company Acquisition Transaction, (iii) any "solicitation" of "proxies" (as those terms are defined in Rule 14a-1 of the General Rules and Regulations under the Exchange Act) or consents with respect to any securities of the Company or (iv) frustrate or seek to frustrate any Company Acquisition Transaction proposed or endorsed by the Company;

(b) recommend, nominate or seek to nominate any Person to the Board or otherwise act, alone or in concert with others, to seek to control or influence the management, the Board or policies or governance of the Company;

(c) take any action which might force the Company to make a public announcement regarding any of the types of matters set forth in subsection (a) of this Section 3.1;

(d) request or propose that the Company (or its directors, officers, employees or agents), directly or indirectly, amend or waive any provision of this Section 3.1, including this subsection (d);

(e) demand an inspection of the Company's books and records whether pursuant to Section 220 of the General Corporation Law of the State of Delaware or otherwise;

(f) institute, solicit, assist or join any litigation, arbitration or other proceeding against or involving the Company or any of its current or former directors or officers (including derivative actions) other than to enforce the provisions of this Agreement or any rights available to the Stockholder under the Purchase Agreement and the Transaction Documents;

(g) agree or offer to take, or encourage or propose (publicly or otherwise) the taking of, any action referred to in subsections (a), (b), (c), (d), (e) or (f) of this Section 3.1;

(h) assist, induce or encourage any other Person to take any action referred to in subsections (a), (b), (c), (d), (e) or (f) of this Section 3.1;

(i) enter into any discussions, negotiations, agreements, understandings or arrangements with any third party with respect to the taking of any action referred to in subsections (a), (b), (c), (d), (e) or (f) of this Section 3.1; or

(j) take any action challenging the validity or enforceability of this Section 3.1 of this Agreement unless the Company is challenging the validity or enforceability of this Agreement.

3.2 Termination of Standstill Provisions

(a) Subject to Section 3.2(b), the provisions of Section 3.1 shall terminate and be of no further force and effect in the event the Board shall have endorsed, approved, recommended, or resolved to endorse, approve or recommend a Company Acquisition Transaction.

(b) All of the provisions of Section 3.1 shall be reinstated and shall apply in full force according to their terms in the event that: (i) if the provisions of Section 3.1 shall have terminated as the result of a tender offer, and such tender offer (as originally made or as amended or modified) shall have terminated (without closing) prior to the commencement of a tender offer by the Stockholder or any of its Affiliates or Associates that would have been permitted to be made pursuant to Section 3.2(a) as a result of such third-party tender offer; (ii) any tender offer by the Stockholder or any of its Affiliates or Associates (as originally made or as extended or modified) that was permitted to be made pursuant to Section 3.2(a) shall have terminated (without closing); or (iii) if the provisions of Section 3.1 shall have terminated as a result of any action by the Board referred to in Section 3.2(a), and the Board shall have determined not to take any of such actions (and no such transaction considered by the Board shall have closed) prior to the commencement of a tender offer by the Stockholder that would have been permitted to be made pursuant to Section 4.2(a) as a result of the initial determination of the Board referred to in Section 3.2(a).

(c) Upon reinstatement of the provisions of Section 3.1, the provisions of this Section 3.2 shall continue to govern for the remainder of the Standstill Period in the event that any of the events described in Section 3.2(a) shall occur. Upon the closing of any tender offer for or acquisition of any securities of the Company or rights or options to acquire any such securities by the Stockholder or any of its Affiliates or Associates that would have been prohibited by the provisions of Section 3.1 but for the provisions of this Section 3.2, all provisions of Section 3.1 and Section 3.2 shall terminate.

3.3 Sales of Shares of Common Stock. During the Standstill Period, the Stockholder will only sell shares of Common Stock in open market transactions on The Nasdaq Stock Market, LLC or on such principal stock exchange as the Common Stock is then listed for trading or in private transactions so long as any sale in a private transaction is not to any Person or Group who the Stockholder reasonably believes after due inquiry Beneficially Owns or as a result of such transaction would Beneficially Own more than five percent (5%) of the then outstanding Voting Securities. Upon sale by the Stockholder of any Common Stock after the Standstill Period to any Person or Group that is not an Affiliate or Associate of the Stockholder, such Common Stock shall no longer be subject to the restrictions or provisions of this Agreement.

4. REGISTRATION RIGHTS.

4.1 Shelf Take-Down. The Company undertakes to use commercially reasonable efforts to register the Subject Securities as soon as practicable following their issuance either through a Shelf Registration Statement or through a Piggy Back Registration Statement (each as defined below). After a Shelf Registration Statement becomes effective, if applicable, the Company shall promptly notify the Stockholder after which the Stockholder may deliver a notice to the Company stating that the Stockholder intends to register all of the then outstanding Subject Securities on the Shelf Registration Statement (a "**Shelf Offering**" and such notice, the "**Shelf Take-Down Notice**"). Upon receipt of the Shelf Take-Down Notice, the Company shall, subject to the other applicable provisions of this Agreement, amend or supplement the applicable Shelf Registration Statement as may be necessary to enable the Subject Securities included in the Shelf Take-Down Notice to be sold and distributed pursuant to the Shelf Offering; *provided*, *however*, that the Company will include in the Shelf Offering only such number of Subject Securities that can be sold without resulting in an Adverse Disclosure (as defined below). For the purposes of this Section 4: (a) "**Shelf Registration Statement**" means a registration statement of the Company filed with the SEC on Form S-1 or Form S-3 for an offering to be made on a continuous basis pursuant to Rule 415 under the

Securities Act of 1933, as amended (the "**Securities Act**"), or any similar rule that may be adopted by the SEC, covering the Common Stock; and (b) "**Adverse Disclosure**" means public disclosure of material non-public information that, in the good faith judgment of the Company (after consultation with legal counsel) (i) would be required to be made in any registration statement filed with the SEC by the Company so that such registration statement would not be materially misleading and (ii) would not be required to be made at such time but for the filing, effectiveness or continued use of such registration statement.

4.2 Piggyback Registration.

(a) If the Company proposes to file a registration statement under the Securities Act with respect to an offering of Common Stock or securities convertible into, or exchangeable or exercisable for, Common Stock, whether or not for sale for its own account (including a Shelf Registration Statement, but other than a registration statement (i) on Form S-4, Form S-8 or any successor forms thereto or (ii) filed to effectuate an exchange offer or any employee benefit or dividend reinvestment plan), in a manner that would permit registration of the Subject Securities for sale for cash to the public under the Securities Act, then the Company shall give prompt written notice of such filing, which notice shall be given to the Stockholder no later than ten (10) business days prior to the filing date (the "**Piggyback Notice**"). The Piggyback Notice shall offer the Stockholder the opportunity to include (or cause to be included) in such registration statement the number of shares of Subject Securities as the Stockholder may request (each, a "**Piggyback Registration Statement**"). Subject to Section 4.2(b), the Company shall include in each Piggyback Registration Statement all Subject Securities with respect to which the Company has received written requests for inclusion therein (each, a "**Piggyback Request**") within five (5) business days after the date of the Piggyback Notice. The Company shall not be required to maintain the effectiveness of a Piggyback Registration Statement beyond the earlier of (x) 120 days after the effective date thereof and (y) consummation of the distribution by the holders of the Subject Securities included in such registration statement. The Company may withdraw a Piggyback Registration Statement at any time prior to any sales being made pursuant to the Piggyback Registration Statement without incurring any liability to the Stockholder.

(b) If any of Subject Securities to be registered pursuant to the registration giving rise to the rights under this Section 4.2 are to be sold in a registered offering in which securities of the Company are sold to one or more underwriters on a firm commitment basis for reoffering to the public (an "**Underwritten Offering**"), the Company shall use commercially reasonable efforts to cause the managing underwriter or underwriters of a proposed Underwritten Offering to permit the Stockholder to include in such offering all Subject Securities included in the Stockholder's Piggyback Request on the same terms and subject to the same conditions as any other shares of capital stock, if any, of the Company included in the Underwritten Offering; provided that the Stockholder timely submits a Piggyback request in connection with such offering. Notwithstanding the foregoing, if the managing underwriter or underwriters of such offering advise the Company in writing that in its or their good faith opinion the number of securities to be registered exceeds the number of securities which can be sold in such offering in light of market conditions or will adversely affect the success of such offering, the Company will include in such Underwritten Offering only such number of securities that can be sold without adversely affecting the marketability of the offering, which securities will be so included in the following order of priority: (i) first, the securities proposed to be sold by the Company for its own account and (ii) second, the Subject Securities of the Stockholder and any other persons with piggyback registration rights who have the right to participate and that have requested to participate in such offering, allocated *pro rata* among the selling shareholders according to the total amount of securities entitled to be included therein owned by each selling shareholder and its Affiliates (other than the Company) or in such other proportions as shall mutually be agreed to by such selling shareholders.

(c) As to any particular Subject Securities, once issued, such securities shall cease to be subject to this Section 4.2 when (i) such securities are sold or otherwise transferred pursuant to an effective registration statement under the Securities Act, (ii) such securities shall have ceased to be outstanding, (iii) such securities have been transferred in a transaction in which the Stockholder's rights under this Agreement are not assigned in accordance with the terms of this Agreement to the transferee of the securities, (iv) such securities are sold in a broker's transaction under circumstances in which all of the applicable conditions of Rule 144 promulgated under the Securities Act (or any similar provisions then in force) are met, or (v) as to any Subject Securities that are Common Stock of the Stockholder, at any time the Stockholder and its affiliates own less than 1% of the outstanding shares of Common Stock.

4.3 Suspension. The Company shall be entitled, by providing written notice to the Stockholder, no more than two (2) times in any twelve (12) month period for a period of time not to exceed 90 days in the aggregate, to postpone the filing or effectiveness of a registration statement to sell Subject Securities or to require the Stockholder to suspend any offerings or sales of Subject Securities pursuant to a registration statement in accordance with this Section 4 if the Company delivers to the Stockholder a certificate signed by an executive officer certifying that such registration and offering would (a) require the Company to make an Adverse Disclosure or (b) materially interfere with any *bona fide* material financing, acquisition, disposition or other similar transaction involving the Company or any of its Subsidiaries then under consideration. Such certificate shall contain a statement of the reasons for such suspension and an approximation of the anticipated length of such suspension, in accordance with the specifications set forth in this Section 4.3. The Stockholder shall keep the information contained in such certificate confidential.

4.4 Expenses of Registration. All Registration Expenses (as defined below) incurred in connection with any registration pursuant to this Section 4 shall be borne by the Company. All (a) underwriting discounts, selling commissions and stock transfer taxes applicable to the securities registered by the Stockholder, or (b) the fees and expenses of an auditor of the Stockholder or any counsel to the Stockholder incurred in connection with the sale of Subject Securities by the Stockholder shall be borne by the Stockholder on a *pro rata* basis with any other holders included in such registration. "**Registration Expenses**" means all expenses incurred by the Company in complying with this Section 4, including all registration, qualification, listing and filing fees, printing expenses, escrow fees, and fees and disbursements of counsel for the Company, fees and disbursements of the Company's independent public accountants, fees and disbursements of the transfer agent, blue sky fees and expenses.

4.5 Cooperation by the Stockholder. If the Stockholder elects to register Subject Securities in accordance with Section 4.1 or Section 4.2, the Stockholder shall furnish to the Company the number of shares of Common Stock owned by the Stockholder, the number of such Subject Securities proposed to be sold, as applicable, the name and address of the Stockholder, and the distribution proposed by the Stockholder as shall be required in connection with any registration, qualification or compliance referred to in this Agreement. It is understood and agreed that the obligations of the Company under this Section 4 are conditioned on the timely provisions of the foregoing information by the Stockholder and, without limitation of the foregoing, will be conditioned on compliance by the Stockholder with the following: (a) the Stockholder will cooperate with the Company in connection with the preparation of the applicable registration statement and prospectus and, for so long as the Company is obligated to keep such registration statement effective, the Stockholder will provide to the Company, in writing and in a timely manner, for use in such registration statement (and expressly identified in writing as such), all information regarding themselves and such other information as may be required by applicable law to enable the Company to prepare or amend such registration statement, any related prospectus and any other documents related to such offering covering the applicable Subject Securities owned by the Stockholder and to maintain the currency and effectiveness thereof; and (b) during such time as the Stockholder may be engaged in a distribution of Subject Securities, the Stockholder will comply with all laws applicable to such distribution, and will (i) not engage in any stabilization activity in connection with the securities of the Company in contravention of such laws; (ii) distribute the Subject Securities solely in the manner described in the applicable registration statement and (iii) if required by applicable law, cause to be furnished to each agent or broker-dealer to or through whom such Subject Securities may be offered, or to the offeree if an offer is made directly by the Stockholder, such copies of the applicable prospectus (as amended and supplemented to such date) and documents incorporated by reference therein as may be required by such agent, broker-dealer or offeree.

5. VOTING OF STOCKHOLDER SHARES.

5.1 Shares Held Subject to Agreement. Until the Termination Date, for so long as the Stockholder and its Affiliates and Associates collectively Beneficially Own any Common Stock or any other Voting Securities, the Stockholder agrees to hold all such Common Stock or other Voting Securities registered in such Stockholder's name or Beneficially Owned by such Stockholder as of the date hereof and any and all other voting securities of the Company legally or beneficially acquired by them after the date hereof, including any Earn-Out Securities (hereinafter collectively referred to as the "**Stockholder Shares**") subject to, and to vote the Stockholder Shares in accordance with, the provisions of this Agreement.

5.2 Vote Required. At all times prior to the Termination Date, the Stockholder shall timely vote in person or by proxy at each annual or special meeting of the Company's stockholders (or shall consent to vote pursuant to an action by written consent of the holders of capital stock of the Company, as and if permitted by the Company's bylaws) all such Stockholder Shares in accordance with the recommendations of the Board on each matter presented to the Company's stockholders at such meeting or consent solicitation as set forth in the applicable definitive proxy statement, including without limitation the election, removal and/or replacement of directors.

5.3 Irrevocable Proxy. The Stockholder hereby constitutes and appoints the Company with full power of substitution, as the proxy of such stockholder with respect to all matters in accordance with Section 5, and hereby authorizes the Company to represent and to vote, if and only if such stockholder: (a) fails to vote; or (b) attempts to vote (whether by proxy, in person or by written consent), in a manner which is inconsistent with the terms of this Agreement, all of the Stockholder Shares in accordance with the recommendation of the Board on each matter presented to the Company's stockholders at any annual or special meeting of the Company's stockholders or consent solicitation, in each case, as required pursuant to the terms and provisions of this Agreement. The proxy granted pursuant to the immediately preceding sentence is coupled with an interest and shall be irrevocable unless and until this Agreement terminates pursuant to Section 9 hereof. The Stockholder hereby revokes any and all previous proxies with respect to the Stockholder Shares and shall not hereafter, unless and until this Agreement terminates pursuant to Section 9 hereof, purport to grant any other proxy or power of attorney with respect to any of the Stockholder Shares, deposit any of such Stockholder Shares into a voting trust or enter into any agreement (other than this Agreement), arrangement or understanding with any Person, directly or indirectly, to vote, grant any proxy or give instructions with respect to the voting of any of such Stockholder Shares, in each case, with respect to any matter presented to the Company's stockholders for approval at any annual or special meeting of the Company's stockholders or written consent.

6. REPRESENTATIONS AND WARRANTIES.

6.1 Each party hereto represents and warrants to the other as follows:

(a) Authorization. Such party has the requisite power, authority and legal capacity to execute, deliver and perform and to consummate the transactions contemplated by this Agreement. This Agreement constitutes a legal, valid and binding obligation of such party, enforceable against such party in accordance with its terms, except as such enforcement may be limited by any applicable bankruptcy, insolvency, moratorium or similar law affecting creditors' rights generally.

(b) No Consents. No consent of any Governmental Authority or other Person is required to be obtained by such party in connection with the execution and delivery by such party of this Agreement.

6.2 The Stockholder represents and warrants to the Company that as of the date hereof, the Stockholder and its Affiliates and Associates collectively Beneficially Own 528,411 shares of Common Stock and have no other interest in the capital stock of the Company other than the right to receive the Earn-Out Securities subject to the terms and conditions of the Purchase Agreement.

6.3 The Stockholder understands and acknowledges that the Company is entering into the Purchase Agreement in reliance upon the Stockholder's execution, delivery and performance of this Agreement.

7. LEGEND.

7.1 Concurrently with the execution of this Agreement, and in addition to any other legends provided for in the Purchase Agreement, there shall be imprinted or otherwise placed on the book-entry statements representing the Stockholder Shares the following restrictive legend (the "**Legend**"):

> "THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO THE TERMS AND CONDITIONS OF A SHAREHOLDER AGREEMENT WHICH PLACES CERTAIN RESTRICTIONS ON THE TRANSFER AND VOTING OF THE SHARES REPRESENTED HEREBY. ANY PERSON ACCEPTING ANY INTEREST IN SUCH SHARES SHALL BE DEEMED TO AGREE TO AND SHALL BECOME BOUND BY ALL THE PROVISIONS OF SUCH AGREEMENT. A COPY OF SUCH SHAREHOLDER AGREEMENT WILL BE FURNISHED TO THE RECORD HOLDER OF THIS CERTIFICATE WITHOUT CHARGE UPON WRITTEN REQUEST TO THE COMPANY AT ITS PRINCIPAL PLACE OF BUSINESS."

7.2 Subject to a sale to a third party pursuant to Section 3.3, above, the Stockholder agrees that, during the term of this Agreement, it will not remove, and will not permit to be removed (upon registration of transfer, reissuance of otherwise), the Legend from any such book-entry statements and will place or cause to be placed the Legend on any new book-entry statements issued to represent Stockholder Shares theretofore represented by a book-entry statements carrying the Legend. The Stockholder will not request that any of the Stockholder Shares be converted from book-entry format to certificated shares.

8. SUCCESSORS. During the Standstill Period, the provisions of this Agreement shall be binding upon the successors in interest to any of the Stockholder Shares. During the Standstill Period, the Company shall not permit the transfer of any of the Stockholder Shares on its books or issue a new certificate representing any of the Stockholder Shares unless and until the successors in interest to whom such security is to be transferred shall have executed a written agreement, substantially in the form of this Agreement, pursuant to which such successors in interest becomes a party to this Agreement and agrees to be bound by all the provisions hereof as if such Person were a Stockholder hereunder. A purchaser in an open market transaction shall not be deemed a successor in interest.

9. TERMINATION. This Agreement shall continue in full force and effect from the date hereof through the earliest of the following dates, on which date (the ***"Termination Date"***) it shall terminate in its entirety on the earlier of: (a) the date that is the fifth (5^{th}) anniversary of the date of this Agreement and (b) the date of the closing of a sale, lease, or other disposition of all or substantially all of the Company's assets or the Company's merger into or consolidation with any other corporation or other entity, or any other corporate reorganization, in which the holders of the Company's outstanding voting stock immediately prior to such

transaction own, immediately after such transaction, securities representing less than 50% of the voting power of the corporation or other entity surviving such transaction; *provided*, *however*, that this clause "(b)" shall not apply to a merger effected exclusively for the purpose of changing the domicile of the Company; and (c) the date as of which this Agreement is terminated by the written consent of the Company and the Stockholder.

10. MISCELLANEOUS.

10.1 Specific Performance. The parties hereto agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. Accordingly, each of the parties hereto shall be entitled to enforce specifically the provisions of this Agreement, including obtaining an injunction or injunctions to prevent breaches or threatened breaches of this Agreement, in any court designated to resolve disputes concerning this Agreement (or, if such court lacks subject matter jurisdiction, in any appropriate state or federal court), this being in addition to any other remedy to which such party is entitled at law or in equity. Each party hereto further agrees not to assert and waives (a) any defense in any action for specific performance that a remedy at law would be adequate and (b) any requirement under any law to post security or provide indemnity as a prerequisite to obtaining equitable relief.

10.2 Expenses. If any action at law or in equity is necessary to enforce or interpret the terms of this Agreement, the prevailing party hereto shall be entitled to reasonable attorneys' fees, costs and necessary disbursements in addition to any other relief to which such party may be entitled.

10.3 Amendment and Waiver. Any provision of this Agreement may be amended and the observance thereof may be waived (either generally or in a particular instance and either retroactively or prospectively) only with the written consent of the Company and the Stockholder. No failure or delay of any party hereto to exercise any right or remedy given to such party under this Agreement or otherwise available to such party or to insist upon strict compliance by any other party with its obligations hereunder and no single or partial exercise of any such right or power shall constitute a waiver of any party hereto's right to demand exact compliance with the terms hereof. Any written waiver shall be limited to those items specifically waived therein and shall not be deemed to waive any future breaches or violations or other non-specified breaches or violations unless, and to the extent, expressly set forth therein.

10.4 Notices. All notices and other communications made pursuant to or under this Agreement shall be given pursuant to the terms of the notice provisions in Section 9.01 of the Purchase Agreement.

10.5 Severability. If any term or provision of this Agreement is held invalid, illegal or unenforceable in any respect under any applicable law, the validity, legality and enforceability of all other terms and provisions of this Agreement will not in any way be affected or impaired. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated by this Agreement be consummated as originally contemplated to the greatest extent possible.

10.6 Governing Law. This Agreement shall be construed and enforced in accordance with, and all questions concerning the construction, validity, interpretation, inducement to enter and/or performance of this Agreement (whether related to breach of contract, tortious conduct or otherwise and whether now existing or hereafter arising) shall be governed by, the internal laws of the State of Delaware, without giving effect to any law that would cause the laws of any jurisdiction other than the State of Delaware to be applied.

10.7 Consent to Jurisdiction; Service of Process; Waiver of Jury Trial.

(a) Each Party agrees that any proceeding arising out of or relating to this Agreement or any transaction contemplated hereby shall be brought exclusively in any state or federal court located in New York County, State of New York, and each of the Parties hereby submits to the exclusive jurisdiction of such courts for itself and with respect to its property, generally and unconditionally, for the purpose of any such proceeding. A final judgment in any such proceeding may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Each Party agrees not to commence any proceeding arising out of or relating to this Agreement or the transactions contemplated hereby except in the courts described above (other than actions in any court of competent jurisdiction to enforce any judgment, decree or award rendered by any such court in New York as described above), irrevocably and unconditionally waives any objection to the laying of venue of any proceeding arising out of or relating to this Agreement or the transactions contemplated hereby in any such court, and hereby irrevocably and unconditionally waives and agrees not to plead or claim in any such court that any such proceeding brought in any such court has been brought in an inconvenient forum or does not have jurisdiction over any Party. Each Party agrees that service of any process, summons, notice or document by U.S. registered mail to such Party's respective address set forth in the Purchase Agreement shall be effective service of process for any such proceeding.

(b) EACH PARTY HEREBY IRREVOCABLY WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY PROCEEDING OR COUNTERCLAIM (WHETHER BASED ON CONTRACT, TORT, STATUTE OR OTHERWISE) ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE ACTIONS OF SUCH PARTY IN THE NEGOTIATION, ADMINISTRATION, PERFORMANCE AND ENFORCEMENT HEREOF. EACH PARTY FURTHER WAIVES ANY RIGHT TO SEEK TO CONSOLIDATE ANY PROCEEDING IN WHICH A JURY TRIAL HAS BEEN WAIVED WITH ANY OTHER PROCEEDING IN WHICH A JURY TRIAL CANNOT OR HAS NOT BEEN WAIVED. EACH PARTY CERTIFIES AND ACKNOWLEDGES THAT (I) NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED OR WARRANTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER, (II) EACH PARTY UNDERSTANDS AND HAS CONSIDERED THE IMPLICATIONS OF THIS WAIVER, (III) EACH PARTY MAKES THIS WAIVER VOLUNTARILY AND (IV) EACH PARTY HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 10.7.

10.8 Entire Agreement. Except for the Purchase Agreement, this Agreement sets forth the entire understanding and agreement between the parties hereto with respect to the subject matter hereof.

10.9 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed to be an original but all of which shall constitute one and the same agreement. This Agreement may be executed by facsimile or electronic (.pdf) signature and a facsimile or electronic (.pdf) signature shall constitute an original for all purposes.

[*The remainder of this page is intentionally left blank.*]

IN WITNESS WHEREOF, the parties hereto have executed this **SHAREHOLDER AGREEMENT** as of the date first written above.

COMPANY:	**STOCKHOLDER:**
ATERIAN, INC.	**JOSEF EITAN**
/s/ Yaniv Sarig	/s/ Josef Eitan
Yaniv Sarig CEO	

SHAREHOLDER AGREEMENT

THIS SHAREHOLDER AGREEMENT (as amended, restated, supplemented or otherwise modified in accordance with Section 10.3, this "**Agreement**") is made and entered into as of May 5, 2021 by and between Aterian, Inc., a Delaware corporation (the "**Company**"), and Ran Nir (the "**Stockholder**").

RECITALS

WHEREAS, pursuant to that certain Stock Purchase Agreement, dated as of even date herewith (the "**Purchase Agreement**"), by and among the Company, Truweo, LLC, a Delaware limited liability company and wholly owned subsidiary of the Company ("**Acquisition Sub**"), the Stockholder, Josef Eitan and Photo Paper Direct Ltd, a private limited company organized under the laws of England and Wales ("**PPD**"), the Company issued 176,137 shares of its common stock, $0.0001 par value per share (the "**Common Stock**"), to the Stockholder at the closing of Acquisition Sub's acquisition of 100% of the outstanding equity of PPD (such shares of Common Stock, the **"Closing Securities**"), for the benefit of the Stockholder thereunder;

WHEREAS, the Company has agreed, subject to the terms and conditions of the Purchase Agreement, to issue and deliver to the Stockholder additional shares of Common Stock as further consideration in the event that PPD achieves certain results of operations set forth in the Purchase Agreement during the 2021 calendar year (any such shares of Common Stock, the "**Earn-Out Securities**," and together with the Closing Securities, the "**Securities**");

WHEREAS, as a condition to entering into the Purchase Agreement, the Company has required that the Stockholder enter into this Agreement, and the Stockholder, in order to induce the Company to enter into the Purchase Agreement, desires to enter into this Agreement.

NOW, **THEREFORE**, in consideration of the foregoing premises and the mutual covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

AGREEMENT

1. DEFINITIONS.

1.1 Defined Terms. As used in this Agreement, the following terms shall have the following meanings:

(a) "**Affiliate**" and "**Associate**" shall have the respective meanings ascribed to such terms in Rule 12b-2 of the General Rules and Regulations under the Exchange Act.

(b) A Person shall be deemed the "**Beneficial Owner**" or to have "**Beneficial Ownership**" of and shall be deemed to "beneficially own" any securities which such Person or any of such Person's Affiliates or Associates is deemed to beneficially own, within the meaning of Rules 13d-3 and 13d-5 of the General Rules and Regulations under the Exchange Act.

Notwithstanding anything in this definition of Beneficial Ownership to the contrary, the phrase, "then outstanding," when used with reference to a Person's Beneficial Ownership of securities of the Company, shall mean the number of such securities then issued and outstanding together with the number of such securities not then actually issued and outstanding which such Person would be deemed the Beneficial Owner hereunder.

(c) "**Company Acquisition Transaction**" shall mean (i) the commencement (within the meaning of Rule 14d-2 of the General Rules and Regulations under the Exchange Act) of a tender or exchange offer by a third party for at least fifteen percent (15%) of the then outstanding capital stock of the Company or any direct or indirect Subsidiary of the Company, (ii) the commencement by a third party of a proxy contest with respect to the election of any directors of the Company, (iii) any sale, license, lease, exchange, transfer, disposition or acquisition of any portion of the business or assets of the Company or any direct or indirect Subsidiary of the Company (other than in the ordinary course of business), or (iv) any merger, consolidation, business combination, share exchange, reorganization, recapitalization, restructuring, liquidation, dissolution or similar transaction or series of related transactions involving the Company or any direct or indirect Subsidiary of the Company.

(d) "**Group**" shall have the meaning set forth in Section 13(d)(3) of the Exchange Act and Rule 13d-5 of the General Rules and Regulations under the Exchange Act.

(e) "**Subject Securities**" means the Securities, including any equity securities issued or issuable directly or indirectly with respect to such Securities by way of any stock dividend or stock split or in connection with a combination of shares, recapitalization, reclassification, merger, amalgamation, arrangement, consolidation or other reorganization.

(f) "**Subsidiary**" of any Person shall mean any corporation or other entity of which a majority of the voting power of the voting equity securities or equity interest is owned, directly or indirectly, by such Person.

(g) "**Voting Securities**" shall mean the shares of Common Stock; *provided*, *however*, that, "Voting Securities," when used in this Agreement in connection with a specific reference to any Person other than the Company, shall mean the capital stock (or equity interest) with the greatest voting power of such other Person or, if such other Person is a Subsidiary of another Person, the Person or Persons which ultimately control such first-mentioned Person.

1.2 Capitalized Terms. All other capitalized terms used herein but not defined shall have the meanings ascribed to such terms in the Purchase Agreement.

2. MATERIAL NON-PUBLIC INFORMATION; REPORTING OBLIGATIONS.

2.1 Stockholder acknowledges that it is aware, and will advise each of its representatives who are informed as to the matters that are the subject of the Purchase Agreement and this Agreement, that the United States securities laws may prohibit any person who has received from an issuer material, non-public information from purchasing or selling securities of such issuer or from communicating such information to any other person under circumstances in which it is reasonably foreseeable that such person is likely to purchase or sell such securities.

2.2 To the extent that Stockholder is required to do so by applicable law as result of the transactions contemplated by the Purchase Agreement, Stockholder acknowledges and agrees that it shall: (a) be solely responsible for the filing of (i) any Forms 3, 4 and 5 in accordance with Section 16(a) of the Exchange Act and the rules promulgated thereunder and (ii) any Schedule 13D or 13G, as applicable, under the Exchange Act and the rules promulgated thereunder, in each case, in respect of its ownership of a registered class of securities of the Company, and (b) timely file such forms and schedules or amendments thereto with the SEC and any stock exchange or similar authority, as required.

3. STANDSTILL.

3.1 Standstill Provisions. Commencing on the date of this Agreement and until the date that is the fifth (5th) anniversary of the date of this Agreement (the "**Standstill Period**"), the Stockholder agrees, on behalf of itself and its Affiliates and Associates, that for so long as such Persons collectively Beneficially Own any Voting Securities, except pursuant to a negotiated transaction with the Stockholder approved by the board of directors of the Company (the "**Board**"), the Stockholder will not (and will cause its Affiliates and Associates not to), in any manner, directly or indirectly:

(a) make, effect, initiate, cause or participate in (i) any acquisition of Beneficial Ownership of any securities of the Company (other than as a result of the Company's issuance of Earn-Out Securities to the Stockholder) or any securities of any Subsidiary or other Affiliate or Associate of the Company if such acquisition would result in the Stockholder and its Affiliates and Associates collectively Beneficially Owning ten percent (10%) or more of the then outstanding Voting Securities, (ii) any Company Acquisition Transaction, (iii) any "solicitation" of "proxies" (as those terms are defined in Rule 14a-1 of the General Rules and Regulations under the Exchange Act) or consents with respect to any securities of the Company or (iv) frustrate or seek to frustrate any Company Acquisition Transaction proposed or endorsed by the Company;

(b) recommend, nominate or seek to nominate any Person to the Board or otherwise act, alone or in concert with others, to seek to control or influence the management, the Board or policies or governance of the Company;

(c) take any action which might force the Company to make a public announcement regarding any of the types of matters set forth in subsection (a) of this Section 3.1;

(d) request or propose that the Company (or its directors, officers, employees or agents), directly or indirectly, amend or waive any provision of this Section 3.1, including this subsection (d);

(e) demand an inspection of the Company's books and records whether pursuant to Section 220 of the General Corporation Law of the State of Delaware or otherwise;

(f) institute, solicit, assist or join any litigation, arbitration or other proceeding against or involving the Company or any of its current or former directors or officers (including derivative actions) other than to enforce the provisions of this Agreement or any rights available to the Stockholder under the Purchase Agreement and the Transaction Documents;

(g) agree or offer to take, or encourage or propose (publicly or otherwise) the taking of, any action referred to in subsections (a), (b), (c), (d), (e) or (f) of this Section 3.1;

(h) assist, induce or encourage any other Person to take any action referred to in subsections (a), (b), (c), (d), (e) or (f) of this Section 3.1;

(i) enter into any discussions, negotiations, agreements, understandings or arrangements with any third party with respect to the taking of any action referred to in subsections (a), (b), (c), (d), (e) or (f) of this Section 3.1; or

(j) take any action challenging the validity or enforceability of this Section 3.1 of this Agreement unless the Company is challenging the validity or enforceability of this Agreement.

3.2 Termination of Standstill Provisions

(a) Subject to Section 3.2(b), the provisions of Section 3.1 shall terminate and be of no further force and effect in the event the Board shall have endorsed, approved, recommended, or resolved to endorse, approve or recommend a Company Acquisition Transaction.

(b) All of the provisions of Section 3.1 shall be reinstated and shall apply in full force according to their terms in the event that: (i) if the provisions of Section 3.1 shall have terminated as the result of a tender offer, and such tender offer (as originally made or as amended or modified) shall have terminated (without closing) prior to the commencement of a tender offer by the Stockholder or any of its Affiliates or Associates that would have been permitted to be made pursuant to Section 3.2(a) as a result of such third-party tender offer; (ii) any tender offer by the Stockholder or any of its Affiliates or Associates (as originally made or as extended or modified) that was permitted to be made pursuant to Section 3.2(a) shall have terminated (without closing); or (iii) if the provisions of Section 3.1 shall have terminated as a result of any action by the Board referred to in Section 3.2(a), and the Board shall have determined not to take any of such actions (and no such transaction considered by the Board shall have closed) prior to the commencement of a tender offer by the Stockholder that would have been permitted to be made pursuant to Section 4.2(a) as a result of the initial determination of the Board referred to in Section 3.2(a).

(c) Upon reinstatement of the provisions of Section 3.1, the provisions of this Section 3.2 shall continue to govern for the remainder of the Standstill Period in the event that any of the events described in Section 3.2(a) shall occur. Upon the closing of any tender offer for or acquisition of any securities of the Company or rights or options to acquire any such securities by the Stockholder or any of its Affiliates or Associates that would have been prohibited by the provisions of Section 3.1 but for the provisions of this Section 3.2, all provisions of Section 3.1 and Section 3.2 shall terminate.

3.3 Sales of Shares of Common Stock. During the Standstill Period, the Stockholder will only sell shares of Common Stock in open market transactions on The Nasdaq Stock Market, LLC or on such principal stock exchange as the Common Stock is then listed for trading or in private transactions so long as any sale in a private transaction is not to any Person or Group who the Stockholder reasonably believes after due inquiry Beneficially Owns or as a result of such transaction would Beneficially Own more than five percent (5%) of the then outstanding Voting Securities. Upon sale by the Stockholder of any Common Stock after the Standstill Period to any Person or Group that is not an Affiliate or Associate of the Stockholder, such Common Stock shall no longer be subject to the restrictions or provisions of this Agreement.

4. REGISTRATION RIGHTS.

4.1 Shelf Take-Down. The Company undertakes to use commercially reasonable efforts to register the Subject Securities as soon as practicable following their issuance either through a Shelf Registration Statement or through a Piggy Back Registration Statement (each as defined below). After a Shelf Registration Statement becomes effective, if applicable, the Company shall promptly notify the Stockholder after which the Stockholder may deliver a notice to the Company stating that the Stockholder intends to register all of the then outstanding Subject Securities on the Shelf Registration Statement (a "**Shelf Offering**" and such notice, the "**Shelf Take-Down Notice**"). Upon receipt of the Shelf Take-Down Notice, the Company shall, subject to the other applicable provisions of this Agreement, amend or supplement the applicable Shelf Registration Statement as may be necessary to enable the Subject Securities included in the Shelf Take-Down Notice to be sold and distributed pursuant to the Shelf Offering; *provided*, *however*, that the Company will include in the Shelf Offering only such number of Subject Securities that can be sold without resulting in an Adverse Disclosure (as defined below). For the purposes of this Section 4: (a) "**Shelf Registration Statement**" means a registration statement of the Company filed with the SEC on Form S-1 or Form S-3 for an offering to be made on a continuous basis pursuant to Rule 415 under the

Securities Act of 1933, as amended (the "**Securities Act**"), or any similar rule that may be adopted by the SEC, covering the Common Stock; and (b) "**Adverse Disclosure**" means public disclosure of material non-public information that, in the good faith judgment of the Company (after consultation with legal counsel) (i) would be required to be made in any registration statement filed with the SEC by the Company so that such registration statement would not be materially misleading and (ii) would not be required to be made at such time but for the filing, effectiveness or continued use of such registration statement.

4.2 Piggyback Registration.

(a) If the Company proposes to file a registration statement under the Securities Act with respect to an offering of Common Stock or securities convertible into, or exchangeable or exercisable for, Common Stock, whether or not for sale for its own account (including a Shelf Registration Statement, but other than a registration statement (i) on Form S-4, Form S-8 or any successor forms thereto or (ii) filed to effectuate an exchange offer or any employee benefit or dividend reinvestment plan), in a manner that would permit registration of the Subject Securities for sale for cash to the public under the Securities Act, then the Company shall give prompt written notice of such filing, which notice shall be given to the Stockholder no later than ten (10) business days prior to the filing date (the "**Piggyback Notice**"). The Piggyback Notice shall offer the Stockholder the opportunity to include (or cause to be included) in such registration statement the number of shares of Subject Securities as the Stockholder may request (each, a "**Piggyback Registration Statement**"). Subject to Section 4.2(b), the Company shall include in each Piggyback Registration Statement all Subject Securities with respect to which the Company has received written requests for inclusion therein (each, a "**Piggyback Request**") within five (5) business days after the date of the Piggyback Notice. The Company shall not be required to maintain the effectiveness of a Piggyback Registration Statement beyond the earlier of (x) 120 days after the effective date thereof and (y) consummation of the distribution by the holders of the Subject Securities included in such registration statement. The Company may withdraw a Piggyback Registration Statement at any time prior to any sales being made pursuant to the Piggyback Registration Statement without incurring any liability to the Stockholder.

(b) If any of Subject Securities to be registered pursuant to the registration giving rise to the rights under this Section 4.2 are to be sold in a registered offering in which securities of the Company are sold to one or more underwriters on a firm commitment basis for reoffering to the public (an "**Underwritten Offering**"), the Company shall use commercially reasonable efforts to cause the managing underwriter or underwriters of a proposed Underwritten Offering to permit the Stockholder to include in such offering all Subject Securities included in the Stockholder's Piggyback Request on the same terms and subject to the same conditions as any other shares of capital stock, if any, of the Company included in the Underwritten Offering; provided that the Stockholder timely submits a Piggyback request in connection with such offering. Notwithstanding the foregoing, if the managing underwriter or underwriters of such offering advise the Company in writing that in its or their good faith opinion the number of securities to be registered exceeds the number of securities which can be sold in such offering in light of market conditions or will adversely affect the success of such offering, the Company will include in such Underwritten Offering only such number of securities that can be sold without adversely affecting the marketability of the offering, which securities will be so included in the following order of priority: (i) first, the securities proposed to be sold by the Company for its own account and (ii) second, the Subject Securities of the Stockholder and any other persons with piggyback registration rights who have the right to participate and that have requested to participate in such offering, allocated *pro rata* among the selling shareholders according to the total amount of securities entitled to be included therein owned by each selling shareholder and its Affiliates (other than the Company) or in such other proportions as shall mutually be agreed to by such selling shareholders.

(c) As to any particular Subject Securities, once issued, such securities shall cease to be subject to this Section 4.2 when (i) such securities are sold or otherwise transferred pursuant to an effective registration statement under the Securities Act, (ii) such securities shall have ceased to be outstanding, (iii) such securities have been transferred in a transaction in which the Stockholder's rights under this Agreement are not assigned in accordance with the terms of this Agreement to the transferee of the securities, (iv) such securities are sold in a broker's transaction under circumstances in which all of the applicable conditions of Rule 144 promulgated under the Securities Act (or any similar provisions then in force) are met, or (v) as to any Subject Securities that are Common Stock of the Stockholder, at any time the Stockholder and its affiliates own less than 1% of the outstanding shares of Common Stock.

4.3 Suspension. The Company shall be entitled, by providing written notice to the Stockholder, no more than two (2) times in any twelve (12) month period for a period of time not to exceed 90 days in the aggregate, to postpone the filing or effectiveness of a registration statement to sell Subject Securities or to require the Stockholder to suspend any offerings or sales of Subject Securities pursuant to a registration statement in accordance with this Section 4 if the Company delivers to the Stockholder a certificate signed by an executive officer certifying that such registration and offering would (a) require the Company to make an Adverse Disclosure or (b) materially interfere with any *bona fide* material financing, acquisition, disposition or other similar transaction involving the Company or any of its Subsidiaries then under consideration. Such certificate shall contain a statement of the reasons for such suspension and an approximation of the anticipated length of such suspension, in accordance with the specifications set forth in this Section 4.3. The Stockholder shall keep the information contained in such certificate confidential.

4.4 Expenses of Registration. All Registration Expenses (as defined below) incurred in connection with any registration pursuant to this Section 4 shall be borne by the Company. All (a) underwriting discounts, selling commissions and stock transfer taxes applicable to the securities registered by the Stockholder, or (b) the fees and expenses of an auditor of the Stockholder or any counsel to the Stockholder incurred in connection with the sale of Subject Securities by the Stockholder shall be borne by the Stockholder on a *pro rata* basis with any other holders included in such registration. "**Registration Expenses**" means all expenses incurred by the Company in complying with this Section 4, including all registration, qualification, listing and filing fees, printing expenses, escrow fees, and fees and disbursements of counsel for the Company, fees and disbursements of the Company's independent public accountants, fees and disbursements of the transfer agent, blue sky fees and expenses.

4.5 Cooperation by the Stockholder. If the Stockholder elects to register Subject Securities in accordance with Section 4.1 or Section 4.2, the Stockholder shall furnish to the Company the number of shares of Common Stock owned by the Stockholder, the number of such Subject Securities proposed to be sold, as applicable, the name and address of the Stockholder, and the distribution proposed by the Stockholder as shall be required in connection with any registration, qualification or compliance referred to in this Agreement. It is understood and agreed that the obligations of the Company under this Section 4 are conditioned on the timely provisions of the foregoing information by the Stockholder and, without limitation of the foregoing, will be conditioned on compliance by the Stockholder with the following: (a) the Stockholder will cooperate with the Company in connection with the preparation of the applicable registration statement and prospectus and, for so long as the Company is obligated to keep such registration statement effective, the Stockholder will provide to the Company, in writing and in a timely manner, for use in such registration statement (and expressly identified in writing as such), all information regarding themselves and such other information as may be required by applicable law to enable the Company to prepare or amend such registration statement, any related prospectus and any other documents related to such offering covering the applicable Subject Securities owned by the Stockholder and to maintain the currency and effectiveness thereof; and (b) during such time as the Stockholder may be engaged in a distribution of Subject Securities, the Stockholder will comply with all laws applicable to such distribution, and will (i) not engage in any stabilization activity in connection with the securities of the Company in contravention of such laws; (ii) distribute the Subject Securities solely in the manner described in the applicable registration statement and (iii) if required by applicable law, cause to be furnished to each agent or broker-dealer to or through whom such Subject Securities may be offered, or to the offeree if an offer is made directly by the Stockholder, such copies of the applicable prospectus (as amended and supplemented to such date) and documents incorporated by reference therein as may be required by such agent, broker-dealer or offeree.

5. VOTING OF STOCKHOLDER SHARES.

5.1 Shares Held Subject to Agreement. Until the Termination Date, for so long as the Stockholder and its Affiliates and Associates collectively Beneficially Own any Common Stock or any other Voting Securities, the Stockholder agrees to hold all such Common Stock or other Voting Securities registered in such Stockholder's name or Beneficially Owned by such Stockholder as of the date hereof and any and all other voting securities of the Company legally or beneficially acquired by them after the date hereof, including any Earn-Out Securities (hereinafter collectively referred to as the "**Stockholder Shares**") subject to, and to vote the Stockholder Shares in accordance with, the provisions of this Agreement.

5.2 Vote Required. At all times prior to the Termination Date, the Stockholder shall timely vote in person or by proxy at each annual or special meeting of the Company's stockholders (or shall consent to vote pursuant to an action by written consent of the holders of capital stock of the Company, as and if permitted by the Company's bylaws) all such Stockholder Shares in accordance with the recommendations of the Board on each matter presented to the Company's stockholders at such meeting or consent solicitation as set forth in the applicable definitive proxy statement, including without limitation the election, removal and/or replacement of directors.

5.3 Irrevocable Proxy. The Stockholder hereby constitutes and appoints the Company with full power of substitution, as the proxy of such stockholder with respect to all matters in accordance with Section 5, and hereby authorizes the Company to represent and to vote, if and only if such stockholder: (a) fails to vote; or (b) attempts to vote (whether by proxy, in person or by written consent), in a manner which is inconsistent with the terms of this Agreement, all of the Stockholder Shares in accordance with the recommendation of the Board on each matter presented to the Company's stockholders at any annual or special meeting of the Company's stockholders or consent solicitation, in each case, as required pursuant to the terms and provisions of this Agreement. The proxy granted pursuant to the immediately preceding sentence is coupled with an interest and shall be irrevocable unless and until this Agreement terminates pursuant to Section 9 hereof. The Stockholder hereby revokes any and all previous proxies with respect to the Stockholder Shares and shall not hereafter, unless and until this Agreement terminates pursuant to Section 9 hereof, purport to grant any other proxy or power of attorney with respect to any of the Stockholder Shares, deposit any of such Stockholder Shares into a voting trust or enter into any agreement (other than this Agreement), arrangement or understanding with any Person, directly or indirectly, to vote, grant any proxy or give instructions with respect to the voting of any of such Stockholder Shares, in each case, with respect to any matter presented to the Company's stockholders for approval at any annual or special meeting of the Company's stockholders or written consent.

6. REPRESENTATIONS AND WARRANTIES.

6.1 Each party hereto represents and warrants to the other as follows:

(a) Authorization. Such party has the requisite power, authority and legal capacity to execute, deliver and perform and to consummate the transactions contemplated by this Agreement. This Agreement constitutes a legal, valid and binding obligation of such party, enforceable against such party in accordance with its terms, except as such enforcement may be limited by any applicable bankruptcy, insolvency, moratorium or similar law affecting creditors' rights generally.

(b) No Consents. No consent of any Governmental Authority or other Person is required to be obtained by such party in connection with the execution and delivery by such party of this Agreement.

6.2 The Stockholder represents and warrants to the Company that as of the date hereof, the Stockholder and its Affiliates and Associates collectively Beneficially Own 176,137 shares of Common Stock and have no other interest in the capital stock of the Company other than the right to receive the Earn-Out Securities subject to the terms and conditions of the Purchase Agreement.

6.3 The Stockholder understands and acknowledges that the Company is entering into the Purchase Agreement in reliance upon the Stockholder's execution, delivery and performance of this Agreement.

7. LEGEND.

7.1 Concurrently with the execution of this Agreement, and in addition to any other legends provided for in the Purchase Agreement, there shall be imprinted or otherwise placed on the book-entry statements representing the Stockholder Shares the following restrictive legend (the "**Legend**"):

> "THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO THE TERMS AND CONDITIONS OF A SHAREHOLDER AGREEMENT WHICH PLACES CERTAIN RESTRICTIONS ON THE TRANSFER AND VOTING OF THE SHARES REPRESENTED HEREBY. ANY PERSON ACCEPTING ANY INTEREST IN SUCH SHARES SHALL BE DEEMED TO AGREE TO AND SHALL BECOME BOUND BY ALL THE PROVISIONS OF SUCH AGREEMENT. A COPY OF SUCH SHAREHOLDER AGREEMENT WILL BE FURNISHED TO THE RECORD HOLDER OF THIS CERTIFICATE WITHOUT CHARGE UPON WRITTEN REQUEST TO THE COMPANY AT ITS PRINCIPAL PLACE OF BUSINESS."

7.2 Subject to a sale to a third party pursuant to Section 3.3, above, the Stockholder agrees that, during the term of this Agreement, it will not remove, and will not permit to be removed (upon registration of transfer, reissuance of otherwise), the Legend from any such book-entry statements and will place or cause to be placed the Legend on any new book-entry statements issued to represent Stockholder Shares theretofore represented by a book-entry statements carrying the Legend. The Stockholder will not request that any of the Stockholder Shares be converted from book-entry format to certificated shares.

8. SUCCESSORS. During the Standstill Period, the provisions of this Agreement shall be binding upon the successors in interest to any of the Stockholder Shares. During the Standstill Period, the Company shall not permit the transfer of any of the Stockholder Shares on its books or issue a new certificate representing any of the Stockholder Shares unless and until the successors in interest to whom such security is to be transferred shall have executed a written agreement, substantially in the form of this Agreement, pursuant to which such successors in interest becomes a party to this Agreement and agrees to be bound by all the provisions hereof as if such Person were a Stockholder hereunder. A purchaser in an open market transaction shall not be deemed a successor in interest.

9. TERMINATION. This Agreement shall continue in full force and effect from the date hereof through the earliest of the following dates, on which date (the ***"Termination Date"***) it shall terminate in its entirety on the earlier of: (a) the date that is the fifth (5th) anniversary of the date of this Agreement and (b) the date of the closing of a sale, lease, or other disposition of all or substantially all of the Company's assets or the Company's merger into or consolidation with any other corporation or other entity, or any other corporate reorganization, in which the holders of the Company's outstanding voting stock immediately prior to such

transaction own, immediately after such transaction, securities representing less than 50% of the voting power of the corporation or other entity surviving such transaction; *provided*, *however*, that this clause "(b)" shall not apply to a merger effected exclusively for the purpose of changing the domicile of the Company; and (c) the date as of which this Agreement is terminated by the written consent of the Company and the Stockholder.

10. MISCELLANEOUS.

10.1 Specific Performance. The parties hereto agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. Accordingly, each of the parties hereto shall be entitled to enforce specifically the provisions of this Agreement, including obtaining an injunction or injunctions to prevent breaches or threatened breaches of this Agreement, in any court designated to resolve disputes concerning this Agreement (or, if such court lacks subject matter jurisdiction, in any appropriate state or federal court), this being in addition to any other remedy to which such party is entitled at law or in equity. Each party hereto further agrees not to assert and waives (a) any defense in any action for specific performance that a remedy at law would be adequate and (b) any requirement under any law to post security or provide indemnity as a prerequisite to obtaining equitable relief.

10.2 Expenses. If any action at law or in equity is necessary to enforce or interpret the terms of this Agreement, the prevailing party hereto shall be entitled to reasonable attorneys' fees, costs and necessary disbursements in addition to any other relief to which such party may be entitled.

10.3 Amendment and Waiver. Any provision of this Agreement may be amended and the observance thereof may be waived (either generally or in a particular instance and either retroactively or prospectively) only with the written consent of the Company and the Stockholder. No failure or delay of any party hereto to exercise any right or remedy given to such party under this Agreement or otherwise available to such party or to insist upon strict compliance by any other party with its obligations hereunder and no single or partial exercise of any such right or power shall constitute a waiver of any party hereto's right to demand exact compliance with the terms hereof. Any written waiver shall be limited to those items specifically waived therein and shall not be deemed to waive any future breaches or violations or other non-specified breaches or violations unless, and to the extent, expressly set forth therein.

10.4 Notices. All notices and other communications made pursuant to or under this Agreement shall be given pursuant to the terms of the notice provisions in Section 9.01 of the Purchase Agreement.

10.5 Severability. If any term or provision of this Agreement is held invalid, illegal or unenforceable in any respect under any applicable law, the validity, legality and enforceability of all other terms and provisions of this Agreement will not in any way be affected or impaired. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated by this Agreement be consummated as originally contemplated to the greatest extent possible.

10.6 Governing Law. This Agreement shall be construed and enforced in accordance with, and all questions concerning the construction, validity, interpretation, inducement to enter and/or performance of this Agreement (whether related to breach of contract, tortious conduct or otherwise and whether now existing or hereafter arising) shall be governed by, the internal laws of the State of Delaware, without giving effect to any law that would cause the laws of any jurisdiction other than the State of Delaware to be applied.

10.7 Consent to Jurisdiction; Service of Process; Waiver of Jury Trial.

(a) Each Party agrees that any proceeding arising out of or relating to this Agreement or any transaction contemplated hereby shall be brought exclusively in any state or federal court located in New York County, State of New York, and each of the Parties hereby submits to the exclusive jurisdiction of such courts for itself and with respect to its property, generally and unconditionally, for the purpose of any such proceeding. A final judgment in any such proceeding may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Each Party agrees not to commence any proceeding arising out of or relating to this Agreement or the transactions contemplated hereby except in the courts described above (other than actions in any court of competent jurisdiction to enforce any judgment, decree or award rendered by any such court in New York as described above), irrevocably and unconditionally waives any objection to the laying of venue of any proceeding arising out of or relating to this Agreement or the transactions contemplated hereby in any such court, and hereby irrevocably and unconditionally waives and agrees not to plead or claim in any such court that any such proceeding brought in any such court has been brought in an inconvenient forum or does not have jurisdiction over any Party. Each Party agrees that service of any process, summons, notice or document by U.S. registered mail to such Party's respective address set forth in the Purchase Agreement shall be effective service of process for any such proceeding.

(b) EACH PARTY HEREBY IRREVOCABLY WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY PROCEEDING OR COUNTERCLAIM (WHETHER BASED ON CONTRACT, TORT, STATUTE OR OTHERWISE) ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE ACTIONS OF SUCH PARTY IN THE NEGOTIATION, ADMINISTRATION, PERFORMANCE AND ENFORCEMENT HEREOF. EACH PARTY FURTHER WAIVES ANY RIGHT TO SEEK TO CONSOLIDATE ANY PROCEEDING IN WHICH A JURY TRIAL HAS BEEN WAIVED WITH ANY OTHER PROCEEDING IN WHICH A JURY TRIAL CANNOT OR HAS NOT BEEN WAIVED. EACH PARTY CERTIFIES AND ACKNOWLEDGES THAT (I) NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED OR WARRANTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER, (II) EACH PARTY UNDERSTANDS AND HAS CONSIDERED THE IMPLICATIONS OF THIS WAIVER, (III) EACH PARTY MAKES THIS WAIVER VOLUNTARILY AND (IV) EACH PARTY HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 10.7.

10.8 Entire Agreement. Except for the Purchase Agreement, this Agreement sets forth the entire understanding and agreement between the parties hereto with respect to the subject matter hereof.

10.9 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed to be an original but all of which shall constitute one and the same agreement. This Agreement may be executed by facsimile or electronic (.pdf) signature and a facsimile or electronic (.pdf) signature shall constitute an original for all purposes.

[*The remainder of this page is intentionally left blank.*]

IN WITNESS WHEREOF, the parties hereto have executed this **SHAREHOLDER AGREEMENT** as of the date first written above.

COMPANY:

ATERIAN, INC.

/s/ Yaniv Sarig

Yaniv Sarig
CEO

STOCKHOLDER:

RAN NIR

/s/ Ran Nir