
Section 1: S-8 (FORM S-8)

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM S-8
REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

ACREAGE HOLDINGS, INC.

(Exact name of registrant as specified in its charter)

British Columbia, Canada
(Province or other jurisdiction of
incorporation or organization)

98-1463868
(I.R.S. Employer Identification No.)

366 Madison Avenue, 11th Floor
New York, New York 10017
United States
646-600-9181
(Address of principal executive offices)

Acreage Holdings, Inc. Omnibus Incentive Plan
(Full title of plan)

Acreage Holdings, Inc.
366 Madison Avenue, 11th Floor
New York, New York 10017
United States
(Name and address of agent for service)

646-600-9181
(Telephone number, including area code, of agent for service)

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company” in Rule 12b-2 of the Exchange Act:

Large Accelerated Filer	<input type="checkbox"/>	Accelerated Filer	<input type="checkbox"/>
Non-Accelerated Filer	<input type="checkbox"/>	Smaller Reporting Company	<input type="checkbox"/>
		Emerging growth company	<input checked="" type="checkbox"/>

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 7(a)(2)(b) of the Securities Act.

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered	Proposed Maximum Offering Price Per Share	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee
Subordinate voting shares issuable under the Acreage Holdings, Inc. Omnibus Incentive Plan	7,094,100 ⁽¹⁾	\$25.00	\$177,352,500	\$21,495 ⁽²⁾

(1) Represents the number of subordinate voting shares (the “Subordinate Voting Shares”) of Acreage Holdings, Inc. (the “Registrant”) issuable pursuant to the exercise or redemption of issued awards under the Acreage Holdings, Inc. Omnibus Incentive Plan (the “Plan”).

(2) The proposed maximum offering price per share and the registration fee were calculated in accordance with Rule 457(c) based on the average exercise or redemption price of the issued awards.

EXPLANATORY NOTE

This Registration Statement on Form S-8 is being filed for the purpose of registering (i) Subordinate Voting Shares of the Registrant issuable pursuant to the exercise or redemption of awards under the Plan.

On November 6, 2018, the Registrant's shareholders authorized, among other things, the adoption of the Plan.

This Registration Statement on Form S-8 registers Subordinate Voting Shares issuable upon the exercise of awards under the Plan.

PART I INFORMATION REQUIRED IN THE SECTION 10(a) PROSPECTUS

Item 1. Plan Information

Information required by Part I to be contained in the Section 10(a) prospectus is omitted from the Registration Statement in accordance with Rule 428 under the Act and Note 1 to Part I of Form S-8.

Item 2. Registrant Information and Employee Plan Annual Information

Information required by Part I to be contained in the Section 10(a) prospectus is omitted from the Registration Statement in accordance with Rule 428 under the Act and Note 1 to Part I of Form S-8.

PART II INFORMATION REQUIRED IN THE REGISTRATION STATEMENT

Item 3. Incorporation Of Documents By Reference.

The following documents which have been and will in the future be filed by the Registrant with the United States Securities and Exchange Commission (the "SEC") are incorporated into this Registration Statement by reference:

- (a) Our Registration Statement Form 40-F as filed with the SEC on January 29, 2019;
 - (b) All other reports filed by the Registrant under Section 13(a) or 15(d) of the Securities Exchange Act of 1934 since January 29, 2019.
 - (c) The description of the Subordinate Voting Shares contained in our Registration Statement on Form 40-F, as filed with the SEC on January 29, 2019, including any amendment or report filed for the purpose of amending such description.
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In addition, all reports and documents filed by us under Section 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934 after the date of this Registration Statement and prior to the filing of a post-effective amendment which indicates that all securities being offered have been sold or which deregisters all securities then remaining unsold, and any Form 6-K furnished by us during such period or portions thereof that are identified in such Form 6-K as being incorporated by reference into this Registration Statement, shall be deemed to be incorporated by reference in and to be part of this Registration Statement from the date of filing of each such document.

Item 4. Description of Securities.

Not applicable.

Item 5. Interests of Named Experts and Counsel.

None.

Item 6. Indemnification of Directors and Officers.

Under the *Business Corporations Act* (British Columbia) (the “BCBCA”) the Registrant may indemnify a director or officer, a former director or officer, or an individual who acts or acted as a director or officer of an affiliate of the Registrant, or at the Registrant’s request as a director or officer (or in a similar capacity) of another corporation or other legal entity, against all judgments, penalties or fines awarded or imposed in, or amounts paid to in settlement of, a legal proceeding or investigative action, whether current, threatened, pending or completed, in which such individual or any of his or her heirs and personal or other legal representatives is or may be joined as a party, or is or may be liable for in respect of a judgment, penalty or fine in, or expenses related to such legal proceeding or investigative action because of serving in such capacity, on condition that (i) the individual acted honestly and in good faith with a view to the best interests of the Registrant or such other corporation or legal entity, and (ii) in the case of such a proceeding or investigative action other than a civil proceeding, the individual had reasonable grounds for believing that his or her conduct was lawful. The Registrant may also indemnify a person described above in respect of all costs, charges and expenses reasonably incurred by such person in respect of such a legal proceeding or investigative action, providing such person complies with (i) and (ii) above. The Registrant may provide indemnification in respect of such costs, charges and expenses after the final disposition of such legal proceeding or investigative action, and may pay such costs, charges and expenses in advance of such final disposition, provided it obtains a written undertaking that such person will repay the amounts advanced if it is ultimately determined that the individual did not comply with (i) and (ii) above. Under the BCBCA, an individual described above is entitled to indemnification from the Registrant in respect of such costs, charges and expenses as a matter of right if the individual has not been reimbursed for such costs, charges and expenses and is wholly successful in the outcome of such legal proceeding or investigative action, or is substantially successful on the merits thereof, providing such individual complies with (i) and (ii) above. On application of the Registrant or an individual described above, the Supreme Court of British Columbia may order the Registrant to indemnify a person described above in respect of any liability incurred by such person in respect of such a legal proceeding or investigative action, and against some or all of the expenses reasonably incurred by such individual in respect of such legal proceeding or investigative action.

In accordance with the BCBCA, the Articles of the Registrant provide that the Registrant must indemnify a director or officer or a former director or officer, and such person's heirs and legal personal representatives, against all judgments, penalties or fines awarded or imposed in, or amounts paid in settlement of, any legal proceeding or investigative action, whether current, threatened or completed, which such individual or any of his or her heirs and legal personal representatives is or may be joined as a party, or be liable for in respect of a judgment, because of that person having been a director or officer of the Registrant, provided that (i) the individual acted honestly and in good faith with a view to the best interests of the Registrant; and (ii) in the case of such a legal proceeding or investigative action other than a civil proceeding, the person had reasonable grounds for believing that his or her conduct was lawful.

A policy of directors' and officers' liability insurance is maintained by the Registrant which insures directors and officers for losses as a result of claims against the directors and officers of the Registrant in their capacity as directors and officers and also reimburses the Registrant for payments made pursuant to the indemnity provisions under the by-laws of the Registrant and the BCBCA.

Insofar as indemnification for liabilities arising under the U.S. Securities Act may be permitted to directors, officers or persons controlling the Registrant pursuant to the foregoing provisions, the Registrant has been informed that in the opinion of the Commission such indemnification is against public policy as expressed in the U.S. Securities Act and is therefore unenforceable.

Item 7. Exemption from Registration Claimed.

Not applicable.

Item 8.

Exhibits.

<u>Number</u>	<u>Exhibit</u>
4.1	Acreage Holdings, Inc. Omnibus Incentive Plan
5.1	Opinion of DLA Piper (Canada) LLP
23.1	Consent of DLA Piper (Canada) LLP (Included in Exhibit 5.1)
23.2	Consent of RSM Canada LLP
23.3	Consent of Macias Gini & O'Connell LLP
23.4	Consent of Sheehan & Company, C.P.A., P.C.
23.5	Consent of Davidson & Company LLP
24.1	Power of Attorney (See Signature Pages)

Item 9. Undertakings.

(a) The Registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(i) To include any prospectus required by Section 10(a)(3) of the Securities Act of 1933;

(ii) To reflect in the prospectus any facts or events arising after the effective date of this registration statement (or the most recent post-effective amendment hereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in this Registration Statement;

(iii) To include any material information with respect to the plan of distribution not previously disclosed in this Registration Statement or any material change to such information in this Registration Statement;

provided, however, that paragraphs (a)(1)(i) and (a)(1)(ii) do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in reports filed with or furnished to the SEC by the Registrant pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934 that are incorporated by reference into this Registration Statement.

(2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(b) The undersigned registrant hereby undertakes that, for purposes of determining any liability under the Securities Act of 1933, each filing of the Registrant's annual report pursuant to Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934 that is incorporated by reference in this Registration Statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(c) Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the SEC such indemnification is against public policy as expressed in such Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act of 1933 and will be governed by the final adjudication of such issue.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-8 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, on February 28, 2019.

ACREAGE HOLDINGS, INC.

/s/ Kevin P. Murphy

Name: Kevin P. Murphy

Title: Chairman and Chief Executive Officer

POWER OF ATTORNEY

Each person whose signature appears below constitutes and appoints Glen Leibowitz and Kevin P. Murphy as his attorney-in-fact, with the power of substitution, for them in any and all capacities, to sign any amendments to this registration statement, and to file the same, with exhibits thereto and other documents in connection therewith, with the Securities and Exchange Commission, hereby ratifying and confirming all that said attorneys-in-fact, or their substitute or substitutes, may do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, as amended, this registration statement has been signed by the following persons in the capacities and on the date indicated.

<u>Signature</u>	<u>Title</u>	<u>Date</u>
<u>/s/ Kevin P. Murphy</u> Kevin P. Murphy	Chairman and Chief Executive Officer	February 28, 2019
<u>/s/ Glen Leibowitz</u> Glen Leibowitz	Chief Financial Officer	February 28, 2019
<u>/s/ John Boehner</u> John Boehner	Director	February 28, 2019
<u>/s/ William Weld</u> William Weld	Director	February 28, 2019
<u>/s/ Larissa Herda</u> Larissa Herda	Director	February 28, 2019
<u>/s/ Douglas Maine</u> Douglas Maine	Director	February 28, 2019
<u>/s/ Brian Mulroney</u> Brian Mulroney	Director	February 28, 2019
<u>/s/ William C. Van Faasen</u> William C. Van Faasen	Director	February 28, 2019

AUTHORIZED REPRESENTATIVE IN THE UNITED STATES

/s/ Glen Leibowitz _____ Authorized Representative in the United States
Glen Leibowitz

February 28, 2019

EXHIBIT INDEX

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Section 2: EX-4.1 (EXHIBIT 4.1)

**ACREAGE HOLDINGS, INC.
OMNIBUS INCENTIVE PLAN**

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1. **History; Effective Date.**

Acreage Holdings, Inc., a company continued under the laws of the Province of British Columbia (“**Acreage**”), has established the ACREAGE HOLDINGS, INC. OMNIBUS INCENTIVE PLAN, as set forth herein, and as the same may be amended from time to time (the “**Plan**”). The Plan was adopted by the Board of Directors of Acreage (the “**Board**”) on and is effective as of November 14, 2018 (the “**Effective Date**”).

2. **Purpose.**

The Purpose of the Plan is to:

- (a) promote the long-term financial interests and growth of Acreage and its Subsidiaries (together, the “**Company**”) by attracting and retaining management and other personnel and key service providers with the training, experience and ability to enable them to make a substantial contribution to the success of the Company’s business;
- (b) motivate management personnel by means of growth-related incentives to achieve long-range goals; and
- (c) further the alignment of interests of Participants with those of the shareholders of Acreage through opportunities for increased stock or stock-based ownership in Acreage.

Toward these objectives, the Administrator may, subject to Board approval, grant stock options, stock appreciation rights, stock awards, restricted share units, performance shares, performance units, and other stock-based awards to eligible individuals on the terms and subject to the conditions set forth in the Plan.

3. **Definitions.**

Except as otherwise specifically provided in an Award Agreement, capitalized words and phrases used in the Plan or an Award Agreement shall have the following meanings:

“**Acreage**” means Acreage Holdings, Inc., a company continued under the laws of the province of British Columbia, Canada.

“**Acreage LLC**” refers to High Street Capital Partners, LLC.

“**Acreage LLC Units**” means the Class A, Class B, Class C, Class C-1, Class D and Class E units in the capital of Acreage LLC outstanding from time to time.

“**Administrator**” means the Board or, where delegated by the Board, the Compensation Committee, or such other committee(s) or officer(s) duly appointed by the Board or the Compensation Committee to administer the Plan or delegated limited authority to perform administrative actions under the Plan, and having such powers as shall be specified by the Board or the Compensation Committee; provided, however, that at any time the Board may serve as the Administrator in lieu of or in addition to the Compensation Committee or such other committee(s) or officer(s) to whom administrative authority has been delegated. With respect to any Award to which Section 16 of the Exchange Act applies, the Administrator shall consist of either the Board or a committee of the Board, which committee shall consist of two or more directors, each of whom is intended to be, to the extent required by Rule 16b-3 of the Exchange Act, a “non-employee director” as defined in Rule 16b-3 of the Exchange Act and an “independent director” to the extent required by the rules of the national securities exchange that is the principal trading market for the Subordinate Voting Shares; provided, that with respect to Awards made to a member of the Board who is not an employee of the Company, “Administrator” means the Board. Any member of the Administrator who does not meet the foregoing requirements shall abstain from any decision regarding an Award and shall not be considered a member of the Administrator to the extent required to comply with Rule 16b-3 of the Exchange Act.

“**Affiliate**” means any entity, whether now or hereafter existing, which controls, is controlled by, or is under common control with, Acreage or any successor to Acreage. For this purpose, “control” (including the correlative meanings of the terms “controlled by” and “under common control with”) shall mean ownership, directly or indirectly, of 50% or more of the total combined voting power of all classes of voting securities issued by such entity, or the possession, directly or indirectly, of the power to direct the management and policies of such entity, by contract or otherwise.

“**as converted basis**” includes the conversion of the proportionate voting shares and multiple voting shares in the capital of Acreage and the redemption or exchange, as applicable, on a 1:1 basis of the Acreage Holdings Units, Warrants, Awards and Class B non-voting common shares of Acreage Holdings WC, Inc. into Subordinate Voting Shares.

“**Award**” means any stock option, stock appreciation right, Stock Award, Restricted Share Unit, Performance Share, Performance Unit, and/or Other Stock-Based Award, granted under this Plan.

“**Award Agreement**” means the written document(s), including an electronic writing acceptable to the Administrator, and any notice, addendum or supplement thereto, memorializing the terms and conditions of an Award granted pursuant to the Plan and which shall incorporate the terms of the Plan.

“**Board**” means the Board of Directors of Acreage.

“**Business Day**” means a day, other than a Saturday, Sunday or statutory holiday, when banks are generally open in the City of Vancouver, or the City of New York for the transaction of banking business.

“**Change in Control**” means the first of the following to occur subsequent to the Effective Date: (i) a Change in Ownership of Acreage, (ii) a Change in Effective Control of Acreage, or (iii) a Change in the Ownership of Assets of Acreage, as described herein and construed in accordance with Code section 409A.

- (a) A “**Change in Ownership of Acreage**” shall occur on the date that any one Person acquires, or Persons Acting as a Group acquire, ownership of the capital stock of Acreage that, together with the stock held by such Person or Group, constitutes more than 50% of the total fair market value or total voting power of the capital stock of Acreage. However, if any one Person is, or Persons Acting as a Group are, considered to own more than 50%, on a fully diluted basis, of the total fair market value or total voting power of the capital stock of Acreage, the acquisition of additional stock by the same Person or Persons Acting as a Group is not considered to cause a Change in Ownership of Acreage or to cause a Change in Effective Control of Acreage (as described below). An increase in the percentage of capital stock owned by any one Person, or Persons Acting as a Group, as a result of a transaction in which Acreage acquires its stock in exchange for property will be treated as an acquisition of stock.
- (b) A “**Change in Effective Control of Acreage**” shall occur on the date either (A) a majority of members of Acreage’s Board is replaced during any 12-month period by directors whose appointment or election is not endorsed by a majority of the members of Acreage’s Board before the date of the appointment or election, or (B) any one Person (excluding Kevin Murphy and his affiliates), or Persons Acting as a Group (excluding Kevin Murphy and his affiliates), acquires (or has acquired during the 12-month period ending on the date of the most recent acquisition by such Person or Persons) ownership of stock of Acreage possessing 50% or more of the total voting power of the stock of Acreage.
- (c) A “**Change in the Ownership of Assets of Acreage**” shall occur on the date that any one Person acquires, or Persons Acting as a Group acquire (or has or have acquired during the 12-month period ending on the date of the most recent acquisition by such Person or Persons), assets from Acreage that have a total gross fair market value equal to or more than 50% of the total gross fair market value of all of the assets of Acreage immediately before such acquisition or acquisitions. For this purpose, gross fair market value means the value of the assets of Acreage, or the value of the assets being disposed of, determined without regard to any liabilities associated with such assets.

The following rules of construction apply in interpreting the definition of Change in Control:

- (i) A **“Person”** means any individual, entity or group within the meaning of Section 13(d)(3) or 14(d)(2) of the *Securities Exchange Act* of 1934, as amended, other than employee benefit plans sponsored or maintained by Acreage and by entities controlled by Acreage or an underwriter, initial purchaser or placement agent temporarily holding the capital stock of Acreage pursuant to a registered public offering.
- (ii) Persons will be considered to be Persons Acting as a Group (or Group) if they are owners of a corporation that enters into a merger, consolidation, purchase or acquisition of stock, or similar business transaction with the corporation. If a Person owns stock in both corporations that enter into a merger, consolidation, purchase or acquisition of stock, or similar transaction, such shareholder is considered to be acting as a Group with other shareholders only with respect to the ownership in that corporation before the transaction giving rise to the change and not with respect to the ownership interest in the other corporation. Persons will not be considered to be acting as a Group solely because they purchase assets of the same corporation at the same time or purchase or own stock of the same corporation at the same time, or as a result of the same public offering.
- (iii) A Change in Control shall not include a transfer to a related person as described in Code section 409A or a public offering of capital stock of Acreage.
- (iv) For purposes of the definition of Change in Control, Section 318(a) of the Code applies to determine stock ownership. Stock underlying a vested option is considered owned by the individual who holds the vested option (and the stock underlying an unvested option is not considered owned by the individual who holds the unvested option). For purposes of the preceding sentence, however, if a vested option is exercisable for stock that is not substantially vested (as defined by Treasury Regulation §1.83-3(b) and (j)), the stock underlying the option is not treated as owned by the individual who holds the option.

“Code” means the Internal Revenue Code of 1986, as amended from time to time, and any successor thereto, the Treasury Regulations thereunder and other relevant interpretive guidance issued by the Internal Revenue Service or the Treasury Department. Reference to any specific section of the Code shall be deemed to include such regulations and guidance, as well as any successor section, regulations and guidance.

“Company” means Acreage and its Subsidiaries, except where the context otherwise requires. For purposes of determining whether a Change in Control has occurred, Company shall mean only Acreage.

“Compensation Committee” means the Compensation and Corporate Governance Committee of the Board.

“Dividend Equivalent” means a right, granted to a Participant, to receive cash, Subordinate Voting Shares, stock Units or other property equal in value to dividends paid with respect to a specified number of Subordinate Voting Shares.

“Effective Date” means the meaning ascribed thereto on the first page hereof.

“Eligible Individuals” means (i) officers and employees of, and other individuals, including non-employee directors, who are natural persons providing bona fide services to or for, Acreage, or any of its Subsidiaries, provided that such services are not in connection with the offer or sale of securities in a capital-raising transaction and do not directly or indirectly promote or maintain a market for Acreage’s securities and (ii) Acreage consultants who are natural persons providing bona fide services to or for, Acreage or any of its Subsidiaries, provided that such services are not in connection with the offer or sale of securities in a capital-raising transaction and do not directly or indirectly promote or maintain a market for Acreage’s securities.

“Exchange” means the Canadian Securities Exchange or any such exchange in Canada or the United States on which Subordinate Voting Shares are listed and posted for trading.

“Exchange Act” means the Securities Exchange Act of 1934, as amended from time to time, and any successor thereto. Reference to any specific section of the Exchange Act shall be deemed to include such regulations and guidance issued thereunder, as well as any successor section, regulations and guidance.

“Fair Market Value” means, on a per share basis as of any date, unless otherwise determined by the Administrator:

- (a) if the principal market for the Subordinate Voting Shares (as determined by the Administrator if the Subordinate Voting Shares are listed or admitted to trading on more than one exchange or market) is a national securities exchange or an established securities market, the official closing price per Subordinate Voting Share for the regular market session on that date on the principal exchange or market on which the Subordinate Voting Shares are then listed or admitted to trading or, if no sale is reported for that date, on the last preceding day on which a sale was reported, all as reported by such source as the Administrator may select;
- (b) if the principal market for the Subordinate Voting Shares is not a national securities exchange or an established securities market, but the Subordinate Voting Shares are quoted by a national quotation system, the average of the highest bid and lowest asked prices for the Subordinate Voting Shares on that date as reported on a national quotation system or, if no prices are reported for that date, on the last preceding day on which prices were reported, all as reported by such source as the Administrator may select; or
- (c) if the Subordinate Voting Shares are neither listed or admitted to trading on a national securities exchange or an established securities market, nor quoted by a national quotation system, the value determined by the Administrator in good faith by the reasonable application of a reasonable valuation method, which method may, but need not, include taking into account an appraisal of the fair market value of the Subordinate Voting Shares conducted by a nationally recognized appraisal firm selected by the Administrator.

“Full Value Award” means an Award that results in Acreage transferring the full value of a Subordinate Voting Share under the Award, whether or not an actual share of stock is issued. Full Value Awards shall include, but are not limited to, Stock Awards, Restricted Share Units, Performance Shares, Performance Units that are payable in Subordinate Voting Shares, and Other Stock-Based Awards for which Acreage transfers the full value of a Subordinate Voting Share under the Award, but shall not include Dividend Equivalents.

“Incentive Stock Option” means any stock option that is designated, in the applicable Award Agreement or the resolutions of the Administrator under which the stock option is granted, as an “incentive stock option” within the meaning of Section 422 of the Code and otherwise meets the requirements to be an “incentive stock option” set forth in Section 422 of the Code.

“Non-qualified Option” means any stock option that is not an Incentive Stock Option.

“Other Stock-Based Award” means an Award of Subordinate Voting Shares or any other Award that is valued in whole or in part by reference to, or is otherwise based upon, Subordinate Voting Shares, including without limitation Dividend Equivalents.

“Participant” means an Eligible Individual to whom one or more Awards are or have been granted pursuant to the Plan and have not been fully settled or cancelled and, following the death of any such person, his successors, heirs, executors and administrators, as the case may be.

“Performance Award” means a Full Value Award, the grant, vesting, lapse of restrictions or settlement of which is conditioned upon the achievement of performance objectives over a specified Performance Period and includes, without limitation, Performance Shares and Performance Units.

“Performance Criteria” means the Performance Criteria established by the Administrator in connection with the grant of Awards based on Performance Metrics or other performance criteria selected by the Administrator.

“Performance Period” means that period established by the Administrator during which any Performance Criteria specified by the Administrator with respect to such Award are to be measured.

“Performance Metrics” means criteria established by the Administrator relating to any of the following, as it may apply to an individual, one or more business units, divisions, or Affiliates, or on a company-wide basis, and in absolute terms, relative to a base period, or relative to the performance of one or more comparable companies, peer groups, or an index covering multiple companies:

- (a) Earnings or Profitability Metrics: any derivative of revenue; earnings/loss (gross, operating, net, or adjusted); earnings/loss before interest and taxes (“**EBIT**”); earnings/loss before interest, taxes, depreciation and amortization (“**EBITDA**”); profit margins; operating margins; expense levels or ratios; provided that any of the foregoing metrics may be adjusted to eliminate the effect of any one or more of the following: interest expense, asset impairments or investment losses, early extinguishment of debt or stock-based compensation expense;
- (b) Return Metrics: any derivative of return on investment, assets, equity or capital (total or invested);
- (c) Investment Metrics: relative risk-adjusted investment performance; investment performance of assets under management;
- (d) Cash Flow Metrics: any derivative of operating cash flow; cash flow sufficient to achieve financial ratios or a specified cash balance; free cash flow; cash flow return on capital; net cash provided by operating activities; cash flow per share; working capital;
- (e) Liquidity Metrics: any derivative of debt leverage (including debt to capital, net debt-to-capital, debt-to-EBITDA or other liquidity ratios);
- (f) Stock Price and Equity Metrics: any derivative of return on shareholders’ equity; total shareholder return; stock price; stock price appreciation; market capitalization; earnings/loss per share (basic or diluted) (before or after taxes);
- (g) Strategic Metrics: product research and development; completion of an identified special project; clinical trials; regulatory filings or approvals; patent application or issuance; manufacturing or process development; sales or net sales; market share; market penetration; economic value added; customer service; customer satisfaction; inventory control; balance of cash, cash equivalents and marketable securities; growth in assets; key hires; employee satisfaction; employee retention; business expansion; acquisitions, divestitures, joint ventures or financing; legal compliance or safety and risk reduction; and/or
- (h) Any such personal performance objectives as determined by the Plan Administrator.

“Performance Shares” means a grant of stock or stock Units the issuance, vesting or payment of which is contingent on performance as measured against predetermined objectives over a specified Performance Period.

“Performance Units” means a grant of dollar-denominated Units the value, vesting or payment of which is contingent on performance against predetermined objectives over a specified Performance Period.

“Plan” means this Omnibus Incentive Plan, as set forth herein and as it may be amended from time to time.

“**Restricted Share Unit**” means a right granted to a Participant to receive Subordinate Voting Shares or cash at the end of a specified deferral period, which right may be conditioned on the satisfaction of certain requirements (including the satisfaction of certain Performance Criteria).

“**Restricted Stock**” means an Award of Subordinate Voting Shares to a Participant that may be subject to certain transferability and other restrictions and to a risk of forfeiture (including by reason of not satisfying certain Performance Criteria).

“**Restriction Period**” means, with respect to Full Value Awards, the period commencing on the date of grant of such Award to which vesting or transferability and other restrictions and a risk of forfeiture apply and ending upon the expiration of the applicable vesting conditions, transferability and other restrictions and lapse of risk of forfeiture and/or the achievement of the applicable Performance Criteria (it being understood that the Administrator may provide that vesting shall occur and/or restrictions shall lapse with respect to portions of the applicable Award during the Restriction Period in accordance with Section 7(b)).

“**Stock Award**” has the meaning ascribed thereto in Section 7(g).

“**Subordinate Voting Shares**” means subordinate voting shares in the capital of Acreage, without par value, and any capital securities into which they are converted.

“**Subsidiary**” means any corporation or other entity in an unbroken chain of corporations or other entities beginning with Acreage if each of the corporations or other entities, or group of commonly controlled corporations or other entities, other than the last corporation or other entity in the unbroken chain then owns stock or other equity interests possessing 50% or more of the total combined voting power of all classes of stock or other equity interests in one of the other corporations or other entities in such chain or otherwise has the power to direct the management and policies of the entity by contract or by means of appointing a majority of the members of the board or other body that controls the affairs of the entity; provided, however, that solely for purposes of determining whether a Participant has a Termination of Service that is a “separation from service” within the meaning of Section 409A of the Code or whether an Eligible Individual is eligible to be granted an Award that in the hands of such Eligible Individual would constitute a “nonqualified deferred compensation plan” within the meaning of Section 409A of the Code, a “Subsidiary” of a corporation or other entity means all other entities with which such corporation or other entity would be considered a single employer under Sections 414(b) or 414(c) of the Code.

“**Tax Withholding Obligation**” means any federal, state, local or foreign (non-United States) income, employment or other tax or social insurance contribution required by applicable law to be withheld in respect of Awards.

“**Termination of Service**” means the termination of the Participant’s employment or consultancy with, or performance of services for, Acreage and its Subsidiaries. Temporary absences from employment because of illness, vacation or leave of absence and transfers among Acreage and its Subsidiaries shall not be considered Terminations of Service. With respect to any Award that constitutes a “nonqualified deferred compensation plan” within the meaning of Section 409A of the Code, “**Termination of Service**” shall mean a “**separation from service**” as defined under Section 409A of the Code to the extent required by Section 409A of the Code to avoid the imposition of any tax or interest or the inclusion of any amount in income pursuant to Section 409A of the Code. A Participant has a separation from service within the meaning of Section 409A of the Code if the Participant terminates employment with Acreage and all Subsidiaries for any reason. A Participant will generally be treated as having terminated employment with Acreage and all Subsidiaries as of a certain date if the Participant and the entity that employs the Participant reasonably anticipate that the Participant will perform no further services for Acreage or any Subsidiary after such date or that the level of bona fide services that the Participant will perform after such date (whether as an employee or an independent contractor) will permanently decrease to no more than 20 percent (20%) of the average level of bona fide services performed (whether as an employee or an independent contractor) over the immediately preceding 36-month period (or the full period of services if the Participant has been providing services for fewer than 36 months); provided, however, that the employment relationship is treated as continuing while the Participant is on military leave, sick leave or other bona fide leave of absence if the period of leave does not exceed six months or, if longer, so long as the Participant retains the right to reemployment with Acreage or any Subsidiary.

“**Total and Permanent Disability**” means, with respect to a Participant, except as otherwise provided in the relevant Award Agreement, that a Participant is (i) unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to last until the Participant’s death or result in death, or (ii) determined to be totally disabled by the Social Security Administration or other governmental or quasi-governmental body that administers a comparable social insurance program outside of the United States in which the Participant participates and which conditions the right to receive benefits under such program on the Participant being unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to last until the Participant’s death or result in death. The Administrator shall have sole authority to determine whether a Participant has suffered a Total and Permanent Disability and may require such medical or other evidence as it deems necessary to judge the nature and permanency of the Participant’s condition.

“**Unit**” means a bookkeeping entry used by Acreage to record and account for the grant of the following types of Awards until such time as the Award is paid, cancelled, forfeited or terminated, as the case may be: stock units, Restricted Share Units, Performance Units, and Performance Shares that are expressed in terms of units of Subordinate Voting Shares.

“**Warrants**” means the issued and outstanding warrants in the capital of Acreage outstanding from time to time.

4. **Administration.**

- (a) **Administration of the Plan.** The Plan shall be administered by the Administrator. Nothing in this Plan shall derogate from the Board’s authority to approve the grant of Awards and the issuance of any Shares pursuant thereto.
- (b) **Powers of the Administrator.** The Administrator shall, except as otherwise provided under the Plan, have full authority, subject to Board approval, to grant Awards pursuant to the terms of the Plan to Eligible Individuals and to take all other actions necessary or desirable to carry out the purpose and intent of the Plan. Among other things, the Administrator shall have the authority, in its sole and absolute discretion, subject to the terms and conditions of the Plan to:
 - (i) determine the Eligible Individuals to whom, and the time or times at which, Awards shall be granted;
 - (ii) determine the types of Awards to be granted any Eligible Individual;
 - (iii) determine the number of Subordinate Voting Shares to be covered by or used for reference purposes for each Award or the value to be transferred pursuant to any Award;
 - (iv) determine the terms, conditions and restrictions applicable to each Award (which need not be identical) and any shares acquired pursuant thereto, including, without limitation, (A) the purchase price of any Subordinate Voting Shares, (B) the method of payment for shares purchased pursuant to any Award, (C) the method for satisfying any tax withholding obligation arising in connection with any Award, including by the withholding or delivery of Subordinate Voting Shares, (D) subject to Section 5(f) and 7(b), the timing, terms and conditions of the exercisability, vesting or payout of any Award or any shares acquired pursuant thereto, (E) the Performance Criteria applicable to any Award and the extent to which such Performance Criteria have been attained, (F) the time of the expiration of any Award, (G) the effect of the Participant’s Termination of Service on any of the foregoing, and (H) all other terms, conditions and restrictions applicable to any Award or shares acquired pursuant thereto as the Administrator shall consider to be appropriate and not inconsistent with the terms of the Plan;
 - (v) subject to Sections 7(f), 10(c) and 15, modify, amend or adjust the terms and conditions of any Award;

- (vi) subject to Section 7(b), accelerate or otherwise change the time at or during which an Award may be exercised or becomes payable and waive or accelerate the lapse, in whole or in part, of any restriction, condition or risk of forfeiture with respect to such Award; provided, however, that, except in connection with death, disability or a Change in Control, no such change, waiver or acceleration shall be made to any Award that is considered “deferred compensation” within the meaning of Section 409A of the Code if the effect of such action is inconsistent with Section 409A of the Code;
 - (vii) determine whether an Award will be paid or settled in cash, Subordinate Voting Shares, or in any combination thereof and whether, to what extent and under what circumstances cash or Subordinate Voting Shares payable with respect to an Award shall be deferred either automatically or at the election of the Participant;
 - (viii) for any purpose, including but not limited to, qualifying for preferred or beneficial tax treatment, accommodating the customs or administrative challenges or otherwise complying with the tax, accounting or regulatory requirements of one or more jurisdictions, adopt, amend, modify, administer or terminate sub-plans, appendices, special provisions or supplements applicable to Awards regulated by the laws of a particular jurisdiction, which sub-plans, appendices, supplements and special provisions may take precedence over other provisions of the Plan, and prescribe, amend and/or rescind rules and regulations relating to such sub-plans, supplements and/or special provisions;
 - (ix) establish any “blackout” period, during which transactions affecting Awards may not be effected, that the Administrator in its sole discretion deems necessary or advisable;
 - (x) determine the Fair Market Value of Subordinate Voting Shares or other property for any purpose under the Plan or any Award;
 - (xi) administer, construe and interpret the Plan, Award Agreements and all other documents relevant to the Plan and Awards issued thereunder, and decide all other matters to be determined in connection with an Award;
 - (xii) establish, amend, rescind and interpret such administrative rules, regulations, agreements, guidelines, instruments and practices for the administration of the Plan and for the conduct of its business as the Administrator deems necessary or advisable;
 - (xiii) correct any defect, supply any omission or reconcile any inconsistency in the Plan or in any Award or Award Agreement in the manner and to the extent the Administrator shall consider it desirable to carry it into effect; and
 - (xiv) specify that vesting conditions in respect of Awards shall not extend beyond applicable limitations such that the Award complies at all times with the exception in paragraph (k) of the definition of “salary deferral arrangement” in subsection 248(1) of the *Income Tax Act* (Canada) or comparable legislation of any jurisdiction; and
 - (xv) otherwise administer the Plan and all Awards granted under the Plan.
- (c) **Delegation of Administrative Authority.** The Administrator may designate officers or employees of the Company to assist the Administrator in the administration of the Plan and, to the extent permitted by applicable law and stock exchange rules, the Administrator may delegate to officers or other employees of the Company any of the Administrator’s duties and powers under the Plan, subject to such conditions and limitations as the Administrator shall prescribe, including without limitation the authority to execute agreements or other documents on behalf of the Administrator; provided, however, that such delegation of authority shall not extend to the granting of, or exercise of discretion with respect to, Awards to Eligible Individuals who are officers under Section 16 of the Exchange Act.

- (d) **Non-Uniform Determinations.** The Administrator's determinations under the Plan (including without limitation, determinations of the persons to receive Awards, the form, amount and timing of such Awards, the terms and provisions of such Awards and the Award Agreements evidencing such Awards, and the ramifications of a Change in Control upon outstanding Awards) need not be uniform and may be made by the Administrator selectively among Awards or persons who receive, or are eligible to receive, Awards under the Plan, whether or not such persons are similarly situated.
- (e) **Limited Liability; Advisors.** To the maximum extent permitted by law, no member of the Administrator shall be liable for any action taken or decision made in good faith relating to the Plan or any Award thereunder. The Administrator may employ counsel, consultants, accountants, appraisers, brokers or other persons. The Administrator, Acreage, and the officers and directors of Acreage shall be entitled to rely upon the advice, opinions or valuations of any such persons.
- (f) **Indemnification.** To the maximum extent permitted by law, by Acreage's Notice and Articles of Incorporation, and by any directors' and officers' liability insurance coverage which may be in effect from time to time, the members of the Administrator and any agent or delegate of the Administrator who is a director, officer or employee of Acreage or an Affiliate shall be indemnified by Acreage against any and all liabilities and expenses to which they may be subjected by reason of any act or failure to act with respect to their duties on behalf of the Plan.
- (g) **Effect of Administrator's Decision.** All actions taken and determinations made by the Administrator on all matters relating to the Plan or any Award pursuant to the powers vested in it hereunder shall be in the Administrator's sole and absolute discretion, unless in contravention of any express term of the Plan, including, without limitation, any determination involving the appropriateness or equitableness of any action. All determinations made by the Administrator shall be conclusive, final and binding on all parties concerned, including Acreage, its shareholders, any Participants and any other employee, consultant, or director of Acreage and its Affiliates, and their respective successors in interest. No member of the Administrator, nor any director, officer, employee or representative of Acreage shall be personally liable for any action, determination or interpretation made in good faith with respect to the Plan or Awards.

5. **Shares.**

Number of Shares Available for Awards. Subject to adjustment as provided in Section 5(a), the number of Subordinate Voting Shares issuable pursuant to Awards that may be granted under the Plan shall be equal to 10% of the number of issued and outstanding Subordinate Voting Shares from time to time, on an as converted basis (the "**Share Pool**"). Subject to applicable law, the requirements of the Exchange and any shareholder or other approval which may be required, the Administrator may in its discretion amend the Plan to increase such limit without notice to any Participants.

- (a) **Adjustments.** On and after the Effective Date, the Share Pool shall be adjusted, in addition to any adjustments to be made pursuant to Section 10 of the Plan, as follows:
 - (i) The Share Pool shall be reduced, on the date of grant, by one share for each stock option or stock appreciation right granted under the Plan and by one share for each Stock Award, Restricted Share Unit, Performance Share and/or Other Stock-Based Award granted under the Plan; provided that Awards that are valued by reference to Subordinate Voting Shares but are required to be paid in cash pursuant to their terms shall not reduce the Share Pool;

- (ii) If and to the extent options or stock appreciation rights originating from the Share Pool terminate, expire, or are canceled, forfeited, exchanged, or surrendered without having been exercised, or if any Stock Awards, Restricted Share Units, Performance Shares and/or Other Stock-Based Awards are forfeited, the Subordinate Voting Shares subject to such Awards shall again be available for Awards under the Share Pool, and shall increase the Share Pool by one share for each stock option or stock appreciation right and one share for each Stock Award, Restricted Share Unit, Performance Share and/or Other Stock-Based Award issued in connection with such Award or by which the Award is valued by reference;
 - (iii) Notwithstanding the foregoing, the following Subordinate Voting Shares shall not become available for issuance under the Plan: (A) shares tendered by Participants, or withheld by the Company, as full or partial payment to the Company upon the exercise of stock options granted under the Plan, until such Shares are cancelled; (B) shares reserved for issuance upon the grant of stock appreciation rights, to the extent the number of reserved shares exceeds the number of shares actually issued upon the exercise of the stock appreciation rights; and (C) shares withheld by, or otherwise remitted to, the Company to satisfy a Participant's tax withholding obligations upon the lapse of restrictions on Stock Awards or the exercise of stock options or stock appreciation rights granted under the Plan, until such shares are cancelled.
- (b) **ISO Limits.** The following limitations shall apply to awards of Incentive Stock Options, notwithstanding any generally applicable contrary provisions in the Plan. Any Award of Incentive Stock Options which does not comply with the provisions of this paragraph shall be deemed to be an award of Non-Qualified Stock Options to the extent of such non-compliance. (i) Subject to adjustment pursuant to Section 10 of the Plan, the maximum number of Subordinate Voting Shares that may be issued pursuant to stock options granted under the Plan that are intended to qualify as Incentive Stock Options within the meaning of Section 422 of the Code shall be equal to 10% of the number of issued and outstanding Subordinate Voting Shares from time to time, on a fully diluted and an as converted basis. (ii) To the extent that the aggregate Fair Market Value of (x) the Subordinate Voting Shares with respect to Incentive Stock Options, plus (y) the Subordinate Voting Shares with respect to which other Incentive Stock Options are first exercisable by a Participant during any calendar year under all plans of the Company and any Affiliate exceeds \$100,000, such Incentive Stock Options shall be treated as Nonqualified Stock Options. For purposes of the preceding sentence, the Fair Market Value of the Subordinate Voting Shares shall be determined as of the time the Option or other incentive stock option is granted. (iii) No Incentive Stock Options may be granted pursuant to the Plan after the day immediately prior to the tenth anniversary of the Effective Date. (iv) During a Participant's lifetime, an Incentive Stock Option may be exercised only by the Participant or, in the case of the Participant's Disability, by the Participant's guardian or legal representative. (v) No Incentive Stock Option may be granted to any non-employee of the Company or an Affiliate.
- (c) **Source of Shares.** The Subordinate Voting Shares with respect to which Awards may be made under the Plan shall be shares authorized by Acreage for issuance but unissued, or issued and reacquired, including without limitation shares purchased in the open market or in private transactions.
- (d) **Stock Exchange Limits.**
- (i) The number of Subordinate Voting Shares subject to Awards granted to any one Participant shall be determined by the Board, but no one Participant shall be granted Awards which exceed, in aggregate, the maximum number permitted by the Exchange, if applicable.
 - (ii) Subject to the aggregate limit and adjustment provisions in Section 5 of this Plan, the aggregate number of Subordinate Voting Shares that may be issued to "Insiders" (as defined in the *Securities Act* (Ontario) and includes an associate and Affiliate, as defined in the *Securities Act* (Ontario) pursuant to the exercise of Awards under the Plan and all other security based compensation arrangements of the Company are subject, in all respects, to Exchange policies.

6. **Participation.**

Participation in the Plan shall be open to all Eligible Individuals, as may be selected by the Administrator from time to time.

7. **Awards.**

- (a) **Awards, In General.** The Administrator, in its sole discretion, shall establish the terms of all Awards granted under the Plan consistent with the terms of the Plan. Awards may be granted individually or in tandem with other types of Awards, concurrently with or with respect to outstanding Awards. All Awards are subject to the terms and conditions of the Plan and as provided in the Award Agreement, which shall be delivered to the Participant receiving such Award upon, or as promptly as is reasonably practicable following, the grant of such Award. Unless otherwise specified by the Administrator, in its sole discretion, or otherwise provided in the Award Agreement, an Award shall not be effective unless the Award Agreement is signed or otherwise accepted by Acreage and the Participant receiving the Award (including by electronic delivery and/or electronic signature). Unless the Administrator determines otherwise, any failure by the Participant to sign and return the Award Agreement within such period of time following the granting of the Award as the Administrator shall prescribe shall cause such Award to the Participant to be null and void. The Administrator may direct that any stock certificate evidencing shares issued pursuant to the Plan shall bear a legend setting forth such restrictions on transferability as may apply to such shares pursuant to the Plan.
- (b) **Minimum Restriction Period for Full Value Awards.** Except as provided below and notwithstanding any provision of the Plan to the contrary, each Award granted under the Plan shall be subject to a minimum Restriction Period of 12 months from the date of grant if vesting of or lapse of restrictions on such Award is based on the satisfaction of Performance Criteria and a minimum Restriction Period of 36 months from the date of grant, applied in either pro rata installments or a single installment, if vesting of or lapse of restrictions on such Award is based solely on the Participant's satisfaction of specified service requirements with the Company. If the grant of a Performance Award is conditioned on satisfaction of Performance Criteria, the Performance Period shall not be less than 12 months' duration, but no additional minimum Restriction Period need apply to such Award. Except as provided below and notwithstanding any provision of the Plan to the contrary, the Administrator shall not have discretionary authority to waive the minimum Restriction Period applicable to a Full Value Award, except in the case of death, disability, retirement, or a Change in Control. Notwithstanding the foregoing, the provisions of this Section 7(b) shall not apply and/or may be waived, in the Administrator's sole discretion, with respect to up to the number of Full Value Awards that is equal to 10% of the aggregate Share Pool as of the Effective Date. Notwithstanding the foregoing, the minimum Restriction Period may be less than 36 months in order to ensure that an Award complies at all times with the exception in paragraph (k) of the definition of "salary deferral arrangement" in subsection 248(1) of the *Income Tax Act* (Canada) or comparable legislation of any jurisdiction.
- (c) **Stock Options.**
- (i) **Grants.** A stock option means a right to purchase a specified number of Subordinate Voting Shares from Acreage at a specified price during a specified period of time. The Administrator may from time to time grant to Eligible Individuals Awards of Incentive Stock Options or Non-qualified Options; provided, however, that Awards of Incentive Stock Options shall be limited to employees of Acreage or of any current or hereafter existing "parent corporation" or "subsidiary corporation," as defined in Sections 424(e) and 424(f) of the Code, respectively, of Acreage, and any other Eligible Individuals who are eligible to receive Incentive Stock Options under the provisions of Section 422 of the Code. No stock option shall be an Incentive Stock Option unless so designated by the Administrator at the time of grant or in the applicable Award Agreement.

- (ii) **Exercise.** Stock options shall be exercisable at such time or times and subject to such terms and conditions as shall be determined by the Administrator; provided, however, that Awards of stock options may not have a term in excess of ten years' duration unless required otherwise by applicable law. The exercise price per share subject to a stock option granted under the Plan shall not be less than the Fair Market Value of one Subordinate Voting Share on the date of grant of the stock option, except as provided under applicable law or with respect to stock options that are granted in substitution of similar types of awards of a company acquired by Acreage or a Subsidiary or with which Acreage or a Subsidiary combines (whether in connection with a corporate transaction, such as a merger, combination, consolidation or acquisition of property or stock, or otherwise) to preserve the intrinsic value of such awards. Notwithstanding the foregoing, An Incentive Stock Option shall not be granted to any individual who, at the date of grant, owns Stock possessing more than ten percent of the total combined voting power of all classes of stock of the Company or any Affiliate, unless the exercise price per share is at least 110% of the Fair Market Value per share of Stock at the date of grant, and the Option expires no later than five years after the date of grant. Should the expiry date of a stock option fall within a period during which the relevant Participant is prohibited from exercising a Nonqualified Option due to trading restrictions imposed by the Company pursuant to any policy of the Company respecting restrictions on trading that is in effect at that time (a "**blackout period**") or within nine Business Days following the expiration of a blackout period, such expiry date of the Nonqualified Option shall be automatically extended without any further act or formality to that date which is the tenth Business Day after the end of the blackout period (but not beyond the first to occur of the original term of the option or the 10th anniversary of the original grant date of the option), such tenth Business Day to be considered the expiry date for such Nonqualified Option for all purposes under the Plan. The ten Business Day period referred to in this paragraph may not be extended by the Board.
 - (iii) **Termination of Service.** Except as provided in the applicable Award Agreement or otherwise determined by the Administrator, to the extent stock options are not vested and exercisable, a Participant's stock options shall be forfeited upon his or her Termination of Service.
 - (iv) **Additional Terms and Conditions.** The Administrator may, by way of the Award Agreement or otherwise, determine such other terms, conditions, restrictions, and/or limitations, if any, of any Award of stock options, provided they are not inconsistent with the Plan.
- (d) **Limitation on Reload Options.** The Administrator shall not grant stock options under this Plan that contain a reload or replenishment feature pursuant to which a new stock option would be granted automatically upon receipt of delivery of Subordinate Voting Shares to Acreage in payment of the exercise price or any tax withholding obligation under any other stock option.
- (e) **Stock Appreciation Rights.**
- (i) **Grants.** The Administrator may from time to time grant to Eligible Individuals Awards of stock appreciation rights. A stock appreciation right entitles the Participant to receive, subject to the provisions of the Plan and the Award Agreement, a payment having an aggregate value equal to the product of (i) the excess of (A) the Fair Market Value on the exercise date of one Subordinate Voting Share over (B) the base price per share specified in the Award Agreement, times (ii) the number of shares specified by the stock appreciation right, or portion thereof, which is exercised. The base price per share specified in the Award Agreement shall not be less than the Fair Market Value on the date of grant, or with respect to stock appreciation rights that are granted in substitution of similar types of awards of a company acquired by Acreage or a Subsidiary or with which Acreage or a Subsidiary combines (whether in connection with a corporate transaction, such as a merger, combination, consolidation or acquisition of property or stock, or otherwise) such base price as is necessary to preserve the intrinsic value of such awards.

- (ii) Exercise. Stock appreciation rights shall be exercisable at such time or times and subject to such terms and conditions as shall be determined by the Administrator; provided, however, that stock appreciation rights granted under the Plan may not have a term in excess of ten years' duration unless required otherwise by applicable law. The applicable Award Agreement shall specify whether payment by Acreage of the amount receivable upon any exercise of a stock appreciation right is to be made in cash or Subordinate Voting Shares or a combination of both, or shall reserve to the Administrator or the Participant the right to make that determination prior to or upon the exercise of the stock appreciation right. If upon the exercise of a stock appreciation right a Participant is to receive a portion of such payment in Subordinate Voting Shares, the number of shares shall be determined by dividing such portion by the Fair Market Value of a Subordinate Voting Share on the exercise date. No fractional shares shall be used for such payment and the Administrator shall determine whether cash shall be given in lieu of such fractional shares or whether such fractional shares shall be eliminated.
 - (iii) Termination of Service. Except as provided in the applicable Award Agreement or otherwise determined by the Administrator, to the extent stock appreciation rights are not vested and exercisable, a Participant's stock appreciation rights shall be forfeited upon his or her Termination of Service.
 - (iv) Additional Terms and Conditions. The Administrator may, by way of the Award Agreement or otherwise, determine such other terms, conditions, restrictions, and/or limitations, if any, of any Award of stock appreciation rights, provided they are not inconsistent with the Plan.
- (f) **Repricing**. Notwithstanding anything herein to the contrary, except in connection with a corporate transaction involving Acreage (including, without limitation, any stock dividend, stock split, extraordinary cash dividend, recapitalization, reorganization, merger, consolidation, split-up, spin-off, combination, or exchange of shares), the terms of stock options and stock appreciation rights granted under the Plan may not be amended, after the date of grant, to reduce the exercise price of such stock options or stock appreciation rights, nor may outstanding stock options or stock appreciation rights be canceled in exchange for (i) cash, (ii) stock options or stock appreciation rights with an exercise price or base price that is less than the exercise price or base price of the original outstanding stock options or stock appreciation rights, or (iii) other Awards, unless such action is approved by Acreage's shareholders.
- (g) **Stock Awards**.
- (i) **Grants**. The Administrator may from time to time grant to Eligible Individuals Awards of unrestricted Subordinate Voting Shares or Restricted Stock (collectively, "**Stock Awards**") on such terms and conditions, and for such consideration, including no consideration or such minimum consideration as may be required by law, as the Administrator shall determine, subject to the limitations set forth in Section 7(b). Stock Awards shall be evidenced in such manner as the Administrator may deem appropriate, including via book-entry registration.

- (ii) Vesting. Restricted Stock shall be subject to such vesting, restrictions on transferability and other restrictions, if any, and/or risk of forfeiture as the Administrator may impose at the date of grant or thereafter. The Restriction Period to which such vesting, restrictions and/or risk of forfeiture apply may lapse under such circumstances, including without limitation upon the attainment of Performance Criteria, in such installments, or otherwise, as the Administrator may determine. Subject to the provisions of the Plan, the applicable Award Agreement and applicable law, during the Restriction Period, the Participant shall not be permitted to vote sell, assign, transfer, pledge or otherwise encumber shares of Restricted Stock.
 - (iii) Rights of a Shareholder; Dividends. Except to the extent restricted under the Award Agreement relating to the Restricted Stock, a Participant granted Restricted Stock shall have all of the rights of a shareholder of Subordinate Voting Shares including, without limitation, the right to vote Restricted Stock upon the expiry of the Restriction Period. Subject to shareholder approval, cash dividends declared payable on Subordinate Voting Shares shall be paid, with respect to outstanding Restricted Stock, as determined by the Administrator, and shall be paid in cash or as unrestricted Subordinate Voting Shares having a Fair Market Value equal to the amount of such dividends or may be reinvested in additional shares of Restricted Stock as determined by the Administrator; provided, however, that dividends declared payable on Restricted Stock that is granted as a Performance Award shall be held by Acreage and made subject to forfeiture at least until achievement of the applicable Performance Goal related to such shares of Restricted Stock. Stock distributed in connection with a stock split or stock dividend, and other property distributed as a dividend, shall be subject to restrictions and a risk of forfeiture to the same extent as the Restricted Stock with respect to which such Subordinate Voting Shares or other property has been distributed. As soon as is practicable following the date on which restrictions on any shares of Restricted Stock lapse, Acreage shall deliver to the Participant the certificates for such shares or shall cause the shares to be registered in the Participant's name in book-entry form, in either case with the restrictions removed, provided that the Participant shall have complied with all conditions for delivery of such shares contained in the Award Agreement or otherwise reasonably required by Acreage.
 - (iv) Termination of Service. Except as provided in the applicable Award Agreement, upon Termination of Service during the applicable Restriction Period, Restricted Stock and any accrued but unpaid dividends that are at that time subject to restrictions shall be forfeited; provided that, subject to the limitations set forth in Section 7(b), the Administrator may provide, by rule or regulation or in any Award Agreement, or may determine in any individual case, that restrictions or forfeiture conditions relating to Restricted Stock will be waived in whole or in part in the event of terminations resulting from specified causes, and the Administrator may in other cases waive in whole or in part the forfeiture of Restricted Stock.
 - (v) Additional Terms and Conditions. The Administrator may, by way of the Award Agreement or otherwise, determine such other terms, conditions, restrictions, and/or limitations, if any, of any Award of Restricted Stock, provided they are not inconsistent with the Plan.
- (h) **Share Units.**
- (i) Grants. The Administrator may from time to time grant to Eligible Individuals Awards of unrestricted stock Units or Restricted Share Units on such terms and conditions, and for such consideration, including no consideration or such minimum consideration as may be required by law, as the Administrator shall determine, subject to the limitations set forth in Section 7(b). Restricted Share Units represent a contractual obligation by Acreage to deliver a number of Subordinate Voting Shares, an amount in cash equal to the Fair Market Value of the specified number of shares subject to the Award, or a combination of Subordinate Voting Shares and cash, in accordance with the terms and conditions set forth in the Plan and any applicable Award Agreement.

- (ii) Vesting and Payment. Restricted Share Units shall be subject to such vesting, risk of forfeiture and/or payment provisions as the Administrator may impose at the date of grant. The Restriction Period to which such vesting and/or risk of forfeiture apply may lapse under such circumstances, including without limitation upon the attainment of Performance Criteria, in such installments, or otherwise, as the Administrator may determine. Subordinate Voting Shares, cash or a combination of Subordinate Voting Shares and cash, as applicable, payable in settlement of Restricted Share Units shall be delivered to the Participant as soon as administratively practicable, but no later than 30 days, after the date on which payment is due under the terms of the Award Agreement provided that the Participant shall have complied with all conditions for delivery of such shares or payment contained in the Award Agreement or otherwise reasonably required by Acreage, or in accordance with an election of the Participant, if the Administrator so permits, that meets the requirements of Section 409A of the Code.
 - (iii) No Rights of a Shareholder: Dividend Equivalents. Until Subordinate Voting Shares are issued to the Participant in settlement of stock Units, the Participant shall not have any rights of a shareholder of Acreage with respect to the stock Units or the shares issuable thereunder. The Administrator may grant to the Participant the right to receive Dividend Equivalents on stock Units, on a current, reinvested and/or restricted basis, subject to such terms as the Administrator may determine provided, however, that Dividend Equivalents payable on stock Units that are granted as a Performance Award shall, rather than be paid on a current basis, be accrued and made subject to forfeiture at least until achievement of the applicable Performance Goal related to such stock Units.
 - (iv) Termination of Service. Upon Termination of Service during the applicable deferral period or portion thereof to which forfeiture conditions apply, or upon failure to satisfy any other conditions precedent to the delivery of Subordinate Voting Shares or cash to which such Restricted Share Units relate, all Restricted Share Units and any accrued but unpaid Dividend Equivalents with respect to such Restricted Share Units that are then subject to deferral or restriction shall be forfeited; provided that, subject to the limitations set forth in Section 7(b), the Administrator may provide, by rule or regulation or in any Award Agreement, or may determine in any individual case, that restrictions or forfeiture conditions relating to Restricted Share Units will be waived in whole or in part in the event of termination resulting from specified causes, and the Administrator may in other cases waive in whole or in part the forfeiture of Restricted Share Units.
 - (v) Additional Terms and Conditions. The Administrator may, by way of the Award Agreement or otherwise, determine such other terms, conditions, restrictions, and/or limitations, if any, of any Award of stock Units, provided they are not inconsistent with the Plan.
- (i) **Performance Shares and Performance Units.**
- (i) Grants. The Administrator may from time to time grant to Eligible Individuals Awards in the form of Performance Shares and Performance Units. Performance Shares, as that term is used in this Plan, shall refer to Subordinate Voting Shares or Units that are expressed in terms of Subordinate Voting Shares, the issuance, vesting, lapse of restrictions on or payment of which is contingent on performance as measured against predetermined objectives over a specified Performance Period. Performance Units, as that term is used in this Plan, shall refer to dollar-denominated Units valued by reference to designated criteria established by the Administrator, other than Subordinate Voting Shares, the issuance, vesting, lapse of restrictions on or payment of which is contingent on performance as measured against predetermined objectives over a specified Performance Period. The applicable Award Agreement shall specify whether Performance Shares and Performance Units will be settled or paid in cash or Subordinate Voting Shares or a combination of both, or shall reserve to the Administrator or the Participant the right to make that determination prior to or at the payment or settlement date.

- (ii) **Performance Criteria.** The Administrator shall, prior to or at the time of grant, condition the grant, vesting or payment of, or lapse of restrictions on, an Award of Performance Shares or Performance Units upon (A) the attainment of Performance Criteria during a Performance Period or (B) the attainment of Performance Criteria and the continued service of the Participant. The length of the Performance Period, the Performance Criteria to be achieved during the Performance Period, and the measure of whether and to what degree such Performance Criteria have been attained shall be conclusively determined by the Administrator in the exercise of its absolute discretion. Performance Criteria may include minimum, maximum and target levels of performance, with the size of the Award or payout of Performance Shares or Performance Units or the vesting or lapse of restrictions with respect thereto based on the level attained. An Award of Performance Shares or Performance Units shall be settled as and when the Award vests or at a later time specified in the Award Agreement or in accordance with an election of the Participant, if the Administrator so permits, that meets the requirements of Section 409A of the Code.
- (iii) **Additional Terms and Conditions.** The Administrator may, by way of the Award Agreement or otherwise, determine such other terms, conditions, restrictions, and/or limitations, if any, of any Award of Performance Shares or Performance Units, provided they are not inconsistent with the Plan.
- (j) **Other Stock-Based Awards.** The Administrator may from time to time grant to Eligible Individuals Awards in the form of Other Stock-Based Awards. Other Stock-Based Awards in the form of Dividend Equivalents may be (A) awarded on a free-standing basis or in connection with another Award other than a stock option or stock appreciation right, (B) paid currently or credited to an account for the Participant, including the reinvestment of such credited amounts in Subordinate Voting Shares equivalents, to be paid on a deferred basis, and (C) settled in cash or Subordinate Voting Shares as determined by the Administrator; provided, however, that Dividend Equivalents payable on Other Stock-Based Awards that are granted as a Performance Award shall, rather than be paid on a current basis, be accrued and made subject to forfeiture at least until achievement of the applicable Performance Goal related to such Other Stock-Based Awards. Any such settlements, and any such crediting of Dividend Equivalents, may be subject to such conditions, restrictions and contingencies as the Administrator shall establish.
- (k) **Awards to Participants Outside the United States.** The Administrator may grant Awards to Eligible Individuals who are foreign nationals, who are located outside the United States or who are not compensated from a payroll maintained in the United States, or who are otherwise subject to (or could cause Acreage or a Subsidiary to be subject to) tax, legal or regulatory provisions of countries or jurisdictions outside the United States, on such terms and conditions different from those specified in the Plan as may, in the judgment of the Administrator, be necessary or desirable in order that any such Award shall conform to laws, regulations, and customs of the country or jurisdiction in which the Participant is then resident or primarily employed or to foster and promote achievement of the purposes of the Plan.
- (l) **Limitation on Dividend Reinvestment and Dividend Equivalents.** Reinvestment of dividends in additional Restricted Stock at the time of any dividend payment, and the payment of Subordinate Voting Shares with respect to dividends to Participants holding Awards of stock Units, shall only be permissible if sufficient shares are available under the Share Pool for such reinvestment or payment (taking into account then outstanding Awards). In the event that sufficient shares are not available under the Share Pool for such reinvestment or payment, such reinvestment or payment shall be made in the form of a grant of stock Units equal in number to the Subordinate Voting Shares that would have been obtained by such payment or reinvestment, the terms of which stock Units shall provide for settlement in cash and for Dividend Equivalent reinvestment in further stock Units on the terms contemplated by this Section 7(m).

8. **Withholding of Taxes.**

Participants and holders of Awards shall pay to Acreage or its Affiliate, or make arrangements satisfactory to the Administrator for payment of, any Tax Withholding Obligation in respect of Awards granted under the Plan no later than the date of the event creating the tax or social insurance contribution liability. The obligations of Acreage under the Plan shall be conditional on such payment or arrangements. Unless otherwise determined by the Administrator, and subject always to applicable law, Tax Withholding Obligations may be settled in whole or in part with Subordinate Voting Shares, including unrestricted outstanding shares surrendered to Acreage and unrestricted shares that are part of the Award that gives rise to the Tax Withholding Obligation, having a Fair Market Value on the date of surrender or withholding equal to the statutory minimum amount (or such greater amount permitted under FASB Accounting Standards Codification Topic 718, *Compensation—Stock Compensation*, for equity-classified awards) required to be withheld for tax or social insurance contribution purposes, all in accordance with such procedures as the Administrator establishes. Acreage or its Affiliate may deduct, to the extent permitted by law, any such Tax Withholding Obligations from any payment of any kind otherwise due to the Participant or holder of an Award.

9. **Transferability of Awards.**

- (a) **Requirement for Administrator Permission.** Except as otherwise determined by the Administrator, and in any event in the case of an Incentive Stock Option or a tandem stock appreciation right granted with respect to an Incentive Stock Option, no Award granted under the Plan shall be transferable by a Participant otherwise than by will or the laws of descent and distribution. The Administrator shall not permit any transfer of an Award for value except to the Company or in connection with a Change in Control. An Award may be exercised during the lifetime of the Participant, only by the Participant or, during the period the Participant is under a legal disability, by the Participant's guardian or legal representative, unless otherwise determined by the Administrator. Awards granted under the Plan shall not be subject in any manner to alienation, anticipation, sale, transfer, assignment, pledge, or encumbrance, except as otherwise determined by the Administrator; provided, however, that the restrictions in this sentence shall not apply to the Subordinate Voting Shares received in connection with an Award after the date that the restrictions on transferability of such shares set forth in the applicable Award Agreement have lapsed. Nothing in this paragraph shall be interpreted or construed as overriding the terms of any Acreage stock ownership or retention policy, now or hereafter existing, that may apply to the Participant or Subordinate Voting Shares received under an Award.
- (b) **Administrator Discretion to Permit Transfers Other Than For Value.** Except as otherwise restricted by applicable law, the Administrator may, but need not, permit an Award, other than an Incentive Stock Option or a tandem stock appreciation right granted with respect to an Incentive Stock Option, to be transferred to a Participant's Family Member (as defined below) as a gift or pursuant to a domestic relations order in settlement of marital property rights. The Administrator shall not permit any transfer of an Award for value except to the Company or in connection with a Change in Control. For purposes of this Section 9, "Family Member" means any child, stepchild, grandchild, parent, stepparent, grandparent, spouse, former spouse, sibling, niece, nephew, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law, including adoptive relationships, any person sharing the Participant's household (other than a tenant or employee), a trust in which these persons have more than fifty percent of the beneficial interest, a foundation in which these persons (or the Participant) control the management of assets, and any other entity in which these persons (or the Participant) own more than fifty percent (50%) of the voting interests. The following transactions are not prohibited transfers for value: (i) a transfer under a domestic relations order in settlement of marital property rights; and (ii) a transfer to an entity in which more than fifty percent of the voting interests are owned by Family Members (or the Participant) in exchange for an interest in that entity.

10. **Adjustments for Corporate Transactions and Other Events.**

- (a) **Mandatory Adjustments.** In the event of a merger, consolidation, stock rights offering, statutory share exchange or similar event affecting Acreage (each, a “**Corporate Event**”) or a stock dividend, stock split, reverse stock split, separation, spinoff, reorganization, extraordinary dividend of cash or other property, share combination or subdivision, or recapitalization or similar event affecting the capital structure of Acreage (each, a “**Share Change**”) that occurs at any time after adoption of this Plan by the Board (including any such Corporate Event or Share Change that occurs after such adoption and coincident with or prior to the Effective Date), the Administrator shall, with the approval of the Exchange or the shareholders of the Company (if required), make equitable and appropriate substitutions or proportionate adjustments to (i) the aggregate number and kind of Subordinate Voting Shares or other securities on which Awards under the Plan may be granted to Eligible Individuals, (ii) the maximum number of Subordinate Voting Shares or other securities with respect to which Awards may be granted during any one calendar year to any individual, (iii) the maximum number of Subordinate Voting Shares or other securities that may be issued with respect to Incentive Stock Options granted under the Plan, (iv) the number of Subordinate Voting Shares or other securities covered by each outstanding Award and the exercise price, base price or other price per share, if any, and other relevant terms of each outstanding Award, and (v) all other numerical limitations relating to Awards, whether contained in this Plan or in Award Agreements; provided, however, that any fractional shares resulting from any such adjustment shall be eliminated; and, provided further, that in no event shall the exercise price per Subordinate Voting Share of a stock option or stock appreciation right, or subscription price per Subordinate Voting Share or any other Award, be reduced to an amount that is lower than the par value of a Subordinate Voting Share.
- (b) **Discretionary Adjustments.** In the case of a Corporate Event, the Administrator may, with the approval of the Exchange or the shareholders of the Company (if required), make such other adjustments to outstanding Awards as it determines to be appropriate and desirable, which adjustments may include, without limitation, (i) the cancellation of outstanding Awards in exchange for payments of cash, securities or other property or a combination thereof having an aggregate value equal to the value of such Awards, as determined by the Administrator in its sole discretion (it being understood that in the case of a Corporate Event with respect to which shareholders of Acreage receive consideration other than publicly traded equity securities of the ultimate surviving entity, any such determination by the Administrator that the value of a stock option or stock appreciation right shall for this purpose be deemed to equal the excess, if any, of the value of the consideration being paid for each Subordinate Voting Share pursuant to such Corporate Event over the exercise price or base price of such stock option or stock appreciation right shall conclusively be deemed valid and that any stock option or stock appreciation right may be cancelled for no consideration upon a Corporate Event if its exercise price or base price equals or exceeds the value of the consideration being paid for each Subordinate Voting Share pursuant to such Corporate Event), (ii) the substitution of securities or other property (including, without limitation, cash or other securities of Acreage and securities of entities other than Acreage) for the Subordinate Voting Shares subject to outstanding Awards, and (iii) the substitution of equivalent awards, as determined in the sole discretion of the Administrator, of the surviving or successor entity or a parent thereof (“**Substitute Awards**”).
- (c) **Adjustments to Performance Criteria.** The Administrator may, in its discretion, adjust the Performance Criteria applicable to any Awards to reflect any unusual or infrequently occurring event or transaction, impact of charges for restructurings, discontinued operations and the cumulative effects of accounting or tax changes, each as defined by generally accepted accounting principles or as identified in Acreage’s consolidated financial statements, notes to the consolidated financial statements, management’s discussion and analysis or other Acreage filings with the Securities and Exchange Commission. If the Administrator determines that a change in the business, operations, corporate structure or capital structure of Acreage or the applicable subsidiary, business segment or other operational unit of Acreage or any such entity or segment, or the manner in which any of the foregoing conducts its business, or other events or circumstances, render the Performance Criteria to be unsuitable, the Administrator may modify such Performance Criteria or the related minimum acceptable level of achievement, in whole or in part, as the Administrator deems appropriate and equitable.

- (d) **Statutory Requirements Affecting Adjustments.** Notwithstanding the foregoing: (A) any adjustments made pursuant to Section 10 to Awards that are considered “deferred compensation” within the meaning of Section 409A of the Code shall be made in compliance with the requirements of Section 409A of the Code; (B) any adjustments made pursuant to Section 10 to Awards that are not considered “deferred compensation” subject to Section 409A of the Code shall be made in such a manner as to ensure that after such adjustment, the Awards either (1) continue not to be subject to Section 409A of the Code or (2) comply with the requirements of Section 409A of the Code; (C) in any event, the Administrator shall not have the authority to make any adjustments pursuant to Section 10 to the extent the existence of such authority would cause an Award that is not intended to be subject to Section 409A of the Code at the date of grant to be subject thereto; and (D) any adjustments made pursuant to Section 10 to Awards that are Incentive Stock Options shall be made in compliance with the requirements of Section 424 (a) of the Code.
- (e) **Dissolution or Liquidation.** Unless the Administrator determines otherwise, all Awards outstanding under the Plan shall terminate upon the dissolution or liquidation of Acreage.

11. **Change in Control Provisions.**

- (a) **Termination of Awards.** Notwithstanding the provisions of Section 11(b), in the event that any transaction resulting in a Change in Control occurs, outstanding Awards will terminate upon the effective time of such Change in Control unless provision is made in connection with the transaction for the continuation or assumption of such Awards by, or for the issuance therefor of Substitute Awards of, the surviving or successor entity or a parent thereof. Solely with respect to Awards that will terminate as a result of the immediately preceding sentence and except as otherwise provided in the applicable Award Agreement:
 - (i) the outstanding Awards of stock options and stock appreciation rights that will terminate upon the effective time of the Change in Control shall, immediately before the effective time of the Change in Control, become fully exercisable and the holders of such Awards will be permitted, immediately before the Change in Control, to exercise the Awards;
 - (ii) the outstanding shares of Restricted Stock the vesting or restrictions on which are then solely time-based and not subject to achievement of Performance Criteria shall, immediately before the effective time of the Change in Control, become fully vested, free of all transfer and lapse restrictions and free of all risks of forfeiture;
 - (iii) the outstanding shares of Restricted Stock the vesting or restrictions on which are then subject to and pending achievement of Performance Criteria shall, immediately before the effective time of the Change in Control and unless the Award Agreement provides for vesting or lapsing of restrictions in a greater amount upon the occurrence of a Change in Control, become vested, free of transfer and lapse restrictions and risks of forfeiture in such amounts as if the applicable Performance Criteria for the unexpired Performance Period had been achieved at the target level set forth in the applicable Award Agreement;
 - (iv) the outstanding Restricted Share Units, Performance Shares and Performance Units the vesting, earning or settlement of which is then solely time-based and not subject to or pending achievement of Performance Criteria shall, immediately before the effective time of the Change in Control, become fully earned and vested and shall be settled in cash or Subordinate Voting Shares (consistent with the terms of the Award Agreement after taking into account the effect of the Change in Control transaction on the shares) as promptly as is practicable, subject to any applicable limitations imposed thereon by Section 409A of the Code; and

- (v) the outstanding Restricted Share Units, Performance Shares and Performance Units the vesting, earning or settlement of which is then subject to and pending achievement of Performance Criteria shall, immediately before the effective time of the Change in Control and unless the Award Agreement provides for vesting, earning or settlement in a greater amount upon the occurrence of a Change in Control, become vested and earned in such amounts as if the applicable Performance Criteria for the unexpired Performance Period had been achieved at the target level set forth in the applicable Award Agreement and shall be settled in cash or Subordinate Voting Shares (consistent with the terms of the Award Agreement after taking into account the effect of the Change in Control transaction on the shares) as promptly as is practicable, subject to any applicable limitations imposed thereon by Section 409A of the Code.

Implementation of the provisions of this Section 11(a) shall be conditioned upon consummation of the Change in Control.

- (b) **Continuation, Assumption or Substitution of Awards.** The administrator may specify, on or after the date of grant, in an award agreement or amendment thereto, the consequences of a Participant's Termination of Service that occurs coincident with or following the occurrence of a Change in Control, if a Change in Control occurs under which provision is made in connection with the transaction for the continuation or assumption of outstanding Awards by, or for the issuance therefor of Substitute Awards of, the surviving or successor entity or a parent thereof.
- (c) **Other Permitted Actions.** In the event that any transaction resulting in a Change in Control occurs, the Administrator may take any of the actions set forth in Section 10 with respect to any or all Awards granted under the Plan.
- (d) **Section 409A Savings Clause.** Notwithstanding the foregoing, if any Award is considered to be a "nonqualified deferred compensation plan" within the meaning of Section 409A of the Code, this Section 11 shall apply to such Award only to the extent that its application would not result in the imposition of any tax or interest or the inclusion of any amount in income under Section 409A of the Code.

12. **Substitution of Awards in Mergers and Acquisitions.**

Awards may be granted under the Plan from time to time in substitution for assumed awards held by employees, officers, consultants or directors of entities who become employees, officers, consultants or directors of Acreage or a Subsidiary as the result of a merger or consolidation of the entity for which they perform services with Acreage or a Subsidiary, or the acquisition by Acreage of the assets or stock of the such entity. The terms and conditions of any Awards so granted may vary from the terms and conditions set forth herein to the extent that the Administrator deems appropriate at the time of grant to conform the Awards to the provisions of the assumed awards for which they are substituted and to preserve their intrinsic value as of the date of the merger, consolidation or acquisition transaction. To the extent permitted by applicable law and marketplace or listing rules of the primary securities market or exchange on which the Subordinate Voting Shares are listed or admitted for trading, any available shares under a shareholder-approved plan of an acquired company (as appropriately adjusted to reflect the transaction) may be used for Awards granted pursuant to this Section 12 and, upon such grant, shall not reduce the Share Pool.

13. **Compliance with Securities Laws; Listing and Registration.**

- (a) The obligation of Acreage to sell or deliver Subordinate Voting Shares with respect to any Award granted under the Plan shall be subject to all applicable laws, rules and regulations, including all applicable federal, state or foreign (non-United States) securities laws, or foreign (non-United States) securities laws and the obtaining of all such approvals by governmental agencies as may be deemed necessary or appropriate by the Administrator. If at any time the Administrator determines that the delivery of Subordinate Voting Shares under the Plan is or may be unlawful under the laws of any applicable jurisdiction, or federal, state or foreign (non-United States) securities laws, the right to exercise an Award or receive Subordinate Voting Shares pursuant to an Award shall be suspended until the Administrator determines that such delivery is lawful. If at any time the Administrator determines that the delivery of Subordinate Voting Shares under the Plan would or may violate the rules of any exchange on which Acreage's securities are then listed for trading, the right to exercise an Award or receive Subordinate Voting Shares pursuant to an Award shall be suspended until the Administrator determines that such delivery would not violate such rules. If the Administrator determines that the exercise or nonforfeiture of, or delivery of benefits pursuant to, any Award would violate any applicable provision of securities laws or the listing requirements of any stock exchange upon which any of Acreage's equity securities are listed, then the Administrator may postpone any such exercise, nonforfeiture or delivery, as applicable, but Acreage shall use all reasonable efforts to cause such exercise, nonforfeiture or delivery to comply with all such provisions at the earliest practicable date. The inability of the Company to obtain from any regulatory body having jurisdiction the authority, if any, deemed by the Company's legal counsel to be necessary to the lawful issuance and sale of any shares under the Plan shall relieve the Company of any liability in respect of the failure to issue or sell such shares as to which such requisite authority shall not have been obtained.

- (b) Each Award is subject to the requirement that, if at any time the Administrator determines, in its absolute discretion, that the listing, registration or qualification of Subordinate Voting Shares issuable pursuant to the Plan is required by any securities exchange or under any state, federal or foreign (non-United States) law, or the consent or approval of any governmental regulatory body is necessary or desirable as a condition of, or in connection with, the grant of an Award or the issuance of Subordinate Voting Shares, no such Award shall be granted or payment made or Subordinate Voting Shares issued, in whole or in part, unless listing, registration, qualification, consent or approval has been effected or obtained free of any conditions not acceptable to the Administrator.
- (c) In the event that the disposition of Subordinate Voting Shares acquired pursuant to the Plan is not covered by a then current registration statement under the Securities Act of 1933, as amended (the “**Securities Act**”), and is not otherwise exempt from such registration, such Subordinate Voting Shares shall be restricted against transfer to the extent required by the Securities Act or regulations thereunder, and the Administrator may require a person receiving Subordinate Voting Shares pursuant to the Plan, as a condition precedent to receipt of such Subordinate Voting Shares, to represent to Acreage in writing that the Subordinate Voting Shares acquired by such person is acquired for investment only and not with a view to distribution and that such person will not dispose of the Subordinate Voting Shares so acquired in violation of federal, state or foreign securities laws and furnish such information as may, in the opinion of counsel for the Company, be appropriate to permit the Company to issue the Subordinate Voting Shares in compliance with applicable federal, state or foreign securities laws. If applicable, all certificates representing such Subordinate Voting Shares shall bear applicable legends as required by federal, state or foreign securities laws or stock exchange regulation.

14. **Section 409A Compliance.**

It is the intention of Acreage that any Award that constitutes a “nonqualified deferred compensation plan” within the meaning of Section 409A of the Code shall comply in all respects with the requirements of Section 409A of the Code to avoid the imposition of any tax or interest or the inclusion of any amount in income pursuant to Section 409A of the Code, and the terms of each such Award shall be construed, administered and deemed amended, if applicable, in a manner consistent with this intention. Notwithstanding the foregoing, neither Acreage nor any of its Affiliates nor any of its or their directors, officers, employees, agents or other service providers will be liable for any taxes, penalties or interest imposed on any Participant or other person with respect to any amounts paid or payable (whether in cash, Subordinate Voting Shares or other property) under any Award, including any taxes, penalties or interest imposed under or as a result of Section 409A of the Code. Any payments described in an Award that are due within the “short term deferral period” as defined in Section 409A of the Code shall not be treated as deferred compensation unless applicable law requires otherwise. For purposes of any Award, each amount to be paid or benefit to be provided to a Participant that constitutes deferred compensation subject to Section 409A of the Code shall be construed as a separate identified payment for purposes of Section 409A of the Code. For purposes of Section 409A of the Code, the payment of Dividend Equivalents under any Award shall be construed as earnings and the time and form of payment of such Dividend Equivalents shall be treated separately from the time and form of payment of the underlying Award. Notwithstanding any other provision of the Plan to the contrary, with respect to any Award that constitutes a “nonqualified deferred compensation plan” within the meaning of Section 409A of the Code, any payments (whether in cash, Subordinate Voting Shares or other property) to be made with respect to the Award that become payable on account of the Participant’s separation from service, within the meaning of Section 409A of the Code, while the Participant is a “specified employee” (as determined in accordance with the uniform policy adopted by the Administrator with respect to all of the arrangements subject to Section 409A of the Code maintained by Acreage and its Affiliates) and which would otherwise be paid within six months after the Participant’s separation from service shall be accumulated (without interest) and paid on the first day of the seventh month following the Participant’s separation from service or, if earlier, within 15 days after the appointment of the personal representative or executor of the Participant’s estate following the Participant’s death. Notwithstanding anything in the Plan or an Award Agreement to the contrary, in no event shall the Administrator exercise its discretion to accelerate the payment or settlement of an Award where such payment or settlement constitutes deferred compensation within the meaning of Code section 409A unless, and solely to the extent that, such accelerated payment or settlement is permissible under Treasury Regulation section 1.409A -3(j)(4).

15. **Plan Duration; Amendment and Discontinuance.**

- (a) **Plan Duration.** The Plan shall remain in effect, subject to the right of the Board or the Compensation Committee to amend or terminate the Plan at any time, until the (a) earliest date as of which all Awards granted under the Plan have been satisfied in full or terminated and no Subordinate Voting Shares approved for issuance under the Plan remain available to be granted under new Awards or (b) the tenth anniversary of the Effective Date. No Awards shall be granted under the Plan after such termination date. Subject to other applicable provisions of the Plan, all Awards made under the Plan on or before the tenth anniversary of the Effective Date, or such earlier termination of the Plan, shall remain in effect until such Awards have been satisfied or terminated in accordance with the Plan and the terms of such Awards.
- (b) **Amendment and Discontinuance of the Plan.** The Board or the Compensation Committee may, without shareholder approval, amend, alter or discontinue the Plan, but no amendment, alteration or discontinuation shall be made which would materially impair the rights of a Participant with respect to a previously granted Award without such Participant's consent, except such an amendment made to comply with applicable law or rule of any securities exchange or market on which the Subordinate Voting Shares are listed or admitted for trading or to prevent adverse tax or accounting consequences to Acreage or the Participant. Notwithstanding the foregoing, no such amendment shall be made without the approval of Acreage's shareholders to the extent such amendment would (A) materially increase the benefits accruing to Participants under the Plan, (B) materially increase the number of Subordinate Voting Shares which may be issued under the Plan or to a Participant, (C) materially expand the eligibility for participation in the Plan, (D) eliminate or modify the prohibition set forth in Section 7(f) on repricing of stock options and stock appreciation rights, (E) lengthen the maximum term or lower the minimum exercise price or base price permitted for stock options and stock appreciation rights, or (F) modify the prohibition on the issuance of reload or replenishment options. Except as otherwise determined by the Board or Compensation Committee, termination of the Plan shall not affect the Administrator's ability to exercise the powers granted to it hereunder with respect to Awards granted under the Plan prior to the date of such termination.
- (c) **Amendment of Awards.** Subject to Section 7(f), the Administrator may unilaterally amend the terms of any Award theretofore granted, but no such amendment shall materially impair the rights of any Participant with respect to an Award without the Participant's consent, except such an amendment made to cause the Plan or Award to comply with applicable law, applicable rule of any securities exchange on which the Subordinate Voting Shares are listed or admitted for trading, or to prevent adverse tax or accounting consequences for the Participant or the Company or any of its Affiliates. For purposes of the foregoing sentence, an amendment to an Award that results in a change in the tax consequences of the Award to the Participant shall not be considered to be a material impairment of the rights of the Participant and shall not require the Participant's consent.

16. **General Provisions.**

- (a) **Non-Guarantee of Employment or Service.** Nothing in the Plan or in any Award Agreement thereunder shall confer any right on an individual to continue in the service of Acreage or any Affiliate or shall interfere in any way with any right of Acreage or any Affiliate may have to terminate such service at any time with or without cause or notice and whether or not such termination results in (i) the failure of any Award to vest or become payable; (ii) the forfeiture of any unvested or vested portion of any Award; and/or (iii) any other adverse effect on the individual's interests under any Award or the Plan. No person, even though deemed an Eligible Individual, shall have a right to be selected as a Participant, or, having been so selected, to be selected again as a Participant. To the extent that an Eligible Individual who is an employee of a Subsidiary receives an Award under the Plan, that Award shall in no event be understood or interpreted to mean that Acreage is the Participant's employer or that the Participant has an employment relationship with Acreage.
- (b) **No Trust or Fund Created.** Neither the Plan nor any Award shall create or be construed to create a trust or separate fund of any kind or a fiduciary relationship between Acreage and a Participant or any other person. To the extent that any Participant or other person acquires a right to receive payments from Acreage pursuant to an Award, such right shall be no greater than the right of any unsecured general creditor of Acreage.
- (c) **Status of Awards.** Awards shall be special incentive payments to the Participant and shall not be taken into account in computing the amount of salary or compensation of the Participant for purposes of determining any pension, retirement, death, severance or other benefit under (a) any pension, retirement, profit-sharing, bonus, insurance, severance or other employee benefit plan of Acreage or any Affiliate now or hereafter in effect under which the availability or amount of benefits is related to the level of compensation or (b) any agreement between (i) Acreage or any Affiliate and (ii) the Participant, except as such plan or agreement shall otherwise expressly provide.
- (d) **Subsidiary Employees.** In the case of a grant of an Award to an Eligible Individual who provides services to any Subsidiary, Acreage may, if the Administrator so directs, issue or transfer the Subordinate Voting Shares, if any, covered by the Award to the Subsidiary, for such lawful consideration as the Administrator may specify, upon the condition or understanding that the Subsidiary will transfer the Subordinate Voting Shares to the Eligible Individual in accordance with the terms of the Award specified by the Administrator pursuant to the provisions of the Plan. All Subordinate Voting Shares underlying Awards that are forfeited or canceled after such issue or transfer of shares to the Subsidiary shall revert to Acreage.
- (e) **Governing Law and Interpretation.** The validity, construction and effect of the Plan, of Award Agreements entered into pursuant to the Plan, and of any rules, regulations, determinations or decisions made by the Administrator relating to the Plan or such Award Agreements, and the rights of any and all persons having or claiming to have any interest therein or thereunder, shall be determined exclusively in accordance with the laws of British Columbia and the laws of Canada applicable therein without regard to its conflict of laws principles. The captions of the Plan are not part of the provisions hereof and shall have no force or effect. Except where the context otherwise requires: (i) the singular includes the plural and vice versa; (ii) a reference to one gender includes other genders; (iii) a reference to a person includes a natural person, partnership, corporation, association, governmental or local authority or agency or other entity; and (iv) a reference to a statute, ordinance, code or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them.

- (f) **Use of English Language.** The Plan, each Award Agreement, and all other documents, notices and legal proceedings entered into, given or instituted pursuant to an Award shall be written in English, unless otherwise determined by the Administrator. If a Participant receives an Award Agreement, a copy of the Plan or any other documents related to an Award translated into a language other than English, and if the meaning of the translated version is different from the English version, the English version shall control.
- (g) **Recovery of Amounts Paid.** Except as otherwise provided by the Administrator, Awards granted under the Plan shall be subject to any and all policies, guidelines, codes of conduct, or other agreement or arrangement adopted by the Board or Compensation Committee with respect to the recoupment, recovery or clawback of compensation (collectively, the “**Recoupment Policy**”) and/or to any provisions set forth in the applicable Award Agreement under which Acreage may recover from current and former Participants any amounts paid or Subordinate Voting Shares issued under an Award and any proceeds therefrom under such circumstances as the Administrator determines appropriate. The Administrator may apply the Recoupment Policy to Awards granted before the policy is adopted to the extent required by applicable law or rule of any securities exchange or market on which Subordinate Voting Shares are listed or admitted for trading, as determined by the Administrator in its sole discretion.

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Section 3: EX-5.1 (EXHIBIT 5.1)



DLA Piper (Canada) LLP
Suite 2800, Park Place
666 Burrard St
Vancouver BC V6C 2Z7
www.dlapiper.com

February 28, 2019

FILE NUMBER: 101053-00001

Acreage Holdings, Inc.
366 Madison Avenue, 11th Floor
New York, NY 10017 USA

Dear Sirs/Mesdames:

Re: Acreage Holdings, Inc. Omnibus Incentive Plan - Registration Statement on Form S-8

We have acted as Canadian counsel to Acreage Holdings, Inc. (“**Acreage**”), a company continued under the laws of the Province of British Columbia, in connection with the Registration Statement on Form S-8 (the “**Registration Statement**”) filed by Acreage with the Securities and Exchange Commission (the “**Commission**”) under the *Securities Act* of 1933, as amended (the “**Act**”), relating to the issuance by Acreage of Subordinate Voting Shares (the “**Shares**”) upon exercise or redemption of awards (“**Awards**”) granted or issued under Acreage’s Omnibus Incentive Plan (the “**Plan**”). Our opinion expressed herein is delivered in connection with the Registration Statement to which this letter appears as an exhibit.

We have examined the Registration Statement and the Plan, which has been filed with the Commission as an exhibit to the Registration Statement. We have also examined the originals, or duplicate, certified, conformed, telecopied or photostatic copies, of such corporate records, agreements, documents and other instruments and have made such other investigations as we have considered necessary or relevant for the purposes of our opinion. With respect to the accuracy of factual matters material to our opinion, we have relied upon certificates of public officials and representatives of Acreage.

In rendering our opinion, we have assumed the genuineness of all signatures, the legal capacity of natural persons, the authenticity of all documents submitted to us as originals, the conformity to authentic original documents of all documents submitted to us as duplicates, certified, conformed, telecopied or photostatic copies, and the authenticity of the originals of such latter documents.

Our opinion expressed herein is rendered solely with respect to the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

Based and relying upon the foregoing, and subject to the qualifications, assumptions and limitations stated herein, we are of the opinion that Shares issued upon the valid exercise or redemption of Awards granted in accordance with the terms of the Plan, including, in each case, receipt by Acreage of payment in full for the Shares in respect of which such Awards are exercised or redeemed, will be validly issued, fully-paid and non-assessable.



We hereby consent to the use of our name in, and the filing of this letter as an exhibit to, the Registration Statement. In providing such consent, we do not admit that we are in the category of persons whose consent is required under Section 7 of the Act.

Yours very truly,

/s/ DLA Piper (Canada) LLP
DLA Piper (Canada) LLP

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Section 4: EX-23.2 (EXHIBIT 23.2)

Consent of Independent Auditor

We consent to the incorporation by reference in this Registration Statement on Form S-8 of Acreage Holdings, Inc. of our reports dated October 22, 2018, except Note 14, which is as of January 29, 2019 and December 1, 2017, relating to the consolidated financial statements of Applied Inventions Management Corp., each of which is included in the Acreage Holding, Inc. Registration Statement on Form 40-F filed on January 29, 2019 with the United States Securities and Exchange Commission.

RSM Canada LLP

Chartered Professional Accountants
Licensed Public Accountants
February 28, 2019
Toronto, Ontario

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Section 5: EX-23.3 (EXHIBIT 23.3)



Exhibit 23.3

Consent of Independent Auditor

The Board of Directors
Acreage Holdings, Inc.

We consent to the incorporation by reference in this Registration Statement on Form S-8 of our report, dated November 9, 2018, relating to the consolidated financial statements of High Street Capital Partners, LLC d/b/a Acreage Holdings which is included in the Acreage Holdings, Inc. Registration Statement on Form 40-F filed on January 29, 2019, with the United States Securities and Exchange Commission.

Macias Gini & O'Connell LLP

Sacramento, California
February 28, 2019

Macias Gini & O'Connell LLP
3000 S Street, Suite 300
Sacramento, CA 95816

www.mgocpa.com

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Section 6: EX-23.4 (EXHIBIT 23.4)

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165 Orinoco Drive, Brightwaters, NY 11718
631.665.7040 • Fax: 631.665.7014

15 South Bayles Avenue, Port Washington, NY 11050
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Consent of Independent Auditor

The Board of Directors
Acreage Holdings, Inc.

We consent to the incorporation by reference in this Registration Statement on Form S-8 of our report, dated November 2, 2018 on the financial statements of D&B Wellness, LLC D/B/A Compassionate Care Center of Connecticut, which comprise the statements of financial position as at December 31, 2017, December 31, 2016 and January 1, 2016 and the statements of operations and comprehensive income, member's equity and cash flows for the years ended December 31, 2017 and December 31, 2016 and the related notes to the financial statements, which comprise a summary of significant accounting policies and other explanatory information, which is included in the Acreage Holdings, Inc. Registration Statement on Form S-8 filed on February 28, 2019 with the United States Securities and Exchange Commission.

Sheehan & Company CPA, P.C.

Sheehan & Company, CPA, P.C.
Brightwaters, New York
February 28, 2019

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Section 7: EX-23.5 (EXHIBIT 23.5)

DAVIDSON & COMPANY LLP _____ Chartered Professional Accountants _____

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To: Acreage Holdings, Inc.

We consent to the incorporation by reference in this Registration Statement on Form S-8 of:

- our report, dated November 2, 2018 on the financial statements of Prime Wellness of Connecticut, LLC, which comprise the statements of financial position as at December 31, 2017 and 2016, and the statements of operations and comprehensive income, members' equity and cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information;
- our report, dated November 2, 2018 on the financial statements of the Wellness & Pain Management Connection, LLC, which comprise the statements of financial position as at December 31, 2017 and 2016 and the statements of operations and comprehensive income, members' equity and cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information; and
- our report, dated November 2, 2018 on the financial statements of Prime Alternative Treatment Center Consulting, LLC, which comprise the statements of financial position as at December 31, 2017 and 2016, and the statements of operations and comprehensive income, members' equity and cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information;

each of which is included in the Acreage Holdings, Inc. Registration Statement on Form 40-F filed on January 29, 2019 with the United States Securities and Exchange Commission.

“DAVIDSON & COMPANY LLP”

Vancouver, Canada

Chartered Professional Accountants

February 28, 2019



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