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7 Attorneys for Plaintiff and Cross-Defendant  
JAMES PARKER

8  
9 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**  
10 **COUNTY OF LOS ANGELES, WEST DISTRICT**

11 JAMES PARKER,  
12  
13 Plaintiff,

14 vs.

15 MM ENTERPRISES USA, LLC, a limited  
liability company, ADVANCED PATIENTS'  
16 COLLECTIVE, a California corporation, THE  
COMPASSION NETWORK, a California  
17 corporation, MMOF SAN DIEGO RETAIL,  
LLC, a California limited liability company,  
18 DESERT HOT SPRINGS GREEN  
HORIZONS, INC., a California corporation,  
19 CYON CORPORATION, INC., a California  
corporation, MMOF VEGAS RETAIL, INC., a  
20 Nevada corporation, MMNV2 HOLDINGS I,  
LLC, a Nevada limited liability company,  
21 MMNV2 HOLDINGS V, LLC, is a Nevada  
limited liability company, MMOF FREMONT  
22 RETAIL, INC., a Nevada corporation,  
MEDMEN NY, INC., a New York corporation,  
23 MME FLORIDA LLC, a Florida limited  
liability company, ADAM BIERMAN, an  
24 individual, ANDREW MODLIN, an individual  
and DOES 1 through 25, inclusive,

25 Defendants.  
26

27 AND RELATED CROSS-ACTION.  
28

Case No. 19SMCV00189  
*Assigned to Hon. Mark A. Young – Dept. M*

**SECOND AMENDED COMPLAINT FOR DAMAGES FOR:**

- 1) **Breach Of Contract - Demotion;**
- 2) **Breach Of The Implied Covenant Of Good Faith And Fair Dealing;**
- 3) **Breach Of Contract - Termination Without Cause;**
- 4) **Breach of Contract - Refusal To Pay Legal Fees and Expenses;**
- 5) **Promissory Fraud;**
- 6) **For Retaliation Against Plaintiff Under FEHA;**
- 7) **For Retaliation Against Plaintiff Under Labor Code § 1102.5; and**
- 8) **Wrongful Discharge In Violation of Public Policy**

**DEMAND FOR JURY TRIAL**

Complaint Filed: January 29, 2019  
Trial Date: None set

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1 Plaintiff James Parker (“Plaintiff” or “Parker”), by and through his attorneys of record,  
2 alleges the following causes of action against Defendants MM Enterprises USA, LLC, Advanced  
3 Patients’ Collective, The Compassion Network, MMOF San Diego Retail, Inc., MMOF RE SD,  
4 LLC, Desert Hot Springs Green Horizons, Inc., Cyon Corporation, Inc., MMOF Vegas Retail,  
5 Inc., MMNV2 Holdings I, LLC, MMNV2 Holdings V, LLC, MMOF Fremont Retail, Inc.,  
6 MedMen NY, Inc., MME Florida LLC (collectively, the “MedMen Entity Defendants”),  
7 Adam Bierman, Andrew Modlin, and DOES 1-25, inclusive (collectively, “Defendants”):

8 I.

9 INTRODUCTION

10 1. Plaintiff James Parker, the former Chief Financial Officer (“CFO”) of publicly  
11 listed cannabis retailer MedMen, brings this sweeping and incriminating whistleblower action  
12 against his former employers and their senior executives to recover the substantial damages he has  
13 suffered as a result of Defendants’ fraud, unlawful retaliation, and constructive termination.  
14 MedMen touts itself as the largest cannabis company in the United States with operations in  
15 *inter alia* California, Arizona, Nevada, New York and Florida. MedMen owns and operates  
16 approximately 33 retail stores and 6 cannabis cultivation facilities across the country, and is listed  
17 on the Canadian Securities Exchange. Despite the popularity of the “MedMen” brand, there is  
18 *no single* legal entity that owns or controls MedMen’s various state-based operations. This is the  
19 result of the unique nature of cannabis sales.

20 2. Because the sale of marijuana is illegal under Federal law, MedMen went public  
21 via a Canadian listing under the name, MedMen Enterprises, Inc. MedMen’s various retail stores  
22 and cultivation facilities in the United States are all owned and operated through a series of legal  
23 entities organized under the laws of the various states in which MedMen exists. However, these  
24 interrelated legal entities are operated as a *single MedMen enterprise*, which is controlled by the  
25 *same senior management team* based out of Culver City, California.

26 3. At all relevant times, Plaintiff James Parker was employed as the CFO of all of the  
27 various MedMen Entity Defendants named herein. The interrelated nature of these entity  
28 Defendants—as well as how they controlled Parker’s day-to-day work environment—is alleged in

1 detail at paragraphs 13 through 42 of this Second Amended Complaint (“Complaint”). These  
2 various entity Defendants, which were operated as a single enterprise by the same senior  
3 management team, are collectively referred to throughout this Complaint as “MedMen” or the  
4 “Company.”

5 4. The allegations set forth in this Complaint present a compelling indictment of  
6 certain members of MedMen’s senior management team—Chief Executive Officer (“CEO”)  
7 Adam Bierman (“Bierman”) and President Andrew Modlin (“Modlin”). Contrary to MedMen’s  
8 issued statements in November 2018 that its CFO had resigned, Parker in fact had informed  
9 MedMen that he had been constructively and wrongfully terminated without cause and in violation  
10 of public policy. Parker’s constructive and wrongful termination in early-November 2018 was the  
11 result of the Company’s numerous breaches of his written employment agreement, and the  
12 pervasive and intolerable working conditions to which Parker was exposed. These extreme and  
13 egregious working conditions included CEO Bierman and President Modlin repeatedly forcing  
14 Parker to choose between complying with his fiduciary duty to the Company and its shareholders,  
15 and turning a blind eye and a deaf ear to their improper, unethical, and illegal behavior.

16 5. As explained herein, it is now clear that when Parker signed his employment  
17 agreement in *mid-May 2018* (the “Letter Agreement” or “Agreement”), MedMen and its two most  
18 senior executives—individual Defendants Bierman and Modlin—had *no intent* to perform under  
19 several critical provisions of the Agreement. Almost immediately after the MedMen’s efforts to go  
20 public were complete in *late-May 2018*, CEO Bierman and President Modlin began steadily  
21 stripping Parker of his authority and responsibilities as the Company’s CFO. In retrospect,  
22 Bierman and Modlin understood that they absolutely needed Parker to successfully take MedMen  
23 public in late-May 2018, but had *no intent* of performing under the Letter Agreement after that  
24 critical and high-profile goal had been achieved.

25 6. At the same time, Parker was confronted with an environment at MedMen that was  
26 replete with racial, homophobic and misogynistic epithets and slurs, drug and alcohol abuse, and  
27 *personal humiliation* occasioned by the words and deeds of CEO Bierman and President Modlin.  
28 Parker’s work environment and conditions were made further intolerable by Bierman’s and

1 Modlin’s profligate spending, their repeated indifference to management’s fiduciary duty to the  
2 Company and its shareholders, and their disdain for compliance with laws regulating publicly  
3 traded companies in the cannabis industry, and frankly, the law in general.

4 7. When Parker repeatedly voiced his concerns regarding their conduct, Bierman and  
5 Modlin were dismissive and at times hostile. Then in an ill-conceived scheme intended to  
6 “shoot the messenger”—which amounted to blatant retaliation under California law—rather than  
7 reform their ways, the CEO and President initiated a disguised search for a new CFO behind  
8 Parker’s back. *This was just 3 months after Parker’s Letter Agreement was signed.* When Parker  
9 discovered MedMen’s scheme and confronted the CEO and President, they lied about the true  
10 nature of the recruitment effort, manufacturing a false “insubordination” claim and invoking self-  
11 serving disciplinary procedures to create a pretextual paper trail, which was designed to culminate  
12 in a fabricated and unjustified termination for cause. The purpose of this pretext was to deprive  
13 Parker of the lucrative severance benefits he is entitled to under the Letter Agreement.

14 8. As alleged herein, Parker’s departure from MedMen was far from voluntary—  
15 it was clearly and deliberately orchestrated by CEO Bierman and President Modlin over a several  
16 month period. By the time Parker was constructively discharged in November 2018, Bierman and  
17 Modlin had completely marginalized him in his role as CFO of the Company, and had made every  
18 effort to coerce him into leaving MedMen. Parker was seriously concerned with CEO Bierman’s  
19 and President Modlin’s clear penchant for fraudulent, self-interested, and (at times) illegal  
20 conduct. Parker feared that as MedMen’s CFO, but without complete visibility of the Company’s  
21 operations and dealings, he could be held personally liable for MedMen’s wrongdoing. To make  
22 matters worse, Parker was also aware that at CEO Bierman’s and President Modlin’s direction,  
23 MedMen had engaged in certain illegal conduct to which he had vehemently objected. As a result,  
24 he feared that MedMen was likely engaging in a myriad of other unethical or unlawful conduct  
25 that was deliberately being kept from him by Bierman and/or Modlin.

26 9. In the face of this serious financial and legal risk, and having been marginalized in  
27 his role as CFO of MedMen, Parker did what any reasonable CFO would have done under the  
28

1 circumstances—he informed MedMen in November 2018, that he could no longer continue as its  
2 CFO because he had been constructively and wrongfully discharged in violation of public policy.

3 **II.**

4 **JURISDICTION AND VENUE**

5 10. Jurisdiction is proper in the Superior Court of the State of California for the County  
6 of Los Angeles pursuant to section 410.10 of the California Code of Civil Procedure.

7 11. Venue is proper in Los Angeles County, California pursuant to section 392 *et seq.*  
8 of the Code of Civil Procedure because: (a) this is the County where the contract at issue was  
9 entered into and where the contract was principally to be performed; and (b) this is the County in  
10 which Defendants’ various torts took place, and where Plaintiff was harmed.

11 **III.**

12 **THE PARTIES**

13 12. Plaintiff Parker is the former CFO of MedMen. At all relevant times, Parker has  
14 worked and resided in Los Angeles County, California

15 13. On information and belief, Defendant MM Enterprises USA, LLC (referred to  
16 above and below as “MM Enterprises”) is, and at all times mentioned herein was, a limited  
17 liability company, organized and existing under the laws of the State of Delaware with its  
18 principal place of business in Los Angeles County, California. Plaintiff is informed and believes  
19 and upon that basis alleges that MM Enterprises is a wholly owned subsidiary of Medmen  
20 Enterprises, Inc., a British Columbia company whose stock is publicly traded on the Canadian  
21 Securities Exchange. MM Enterprises is a holding company which operates MedMen’s corporate  
22 headquarters in Culver City, California. On information and belief, MM Enterprises entered into  
23 certain of the leases for MedMen’s headquarters, signed certain employment agreements for  
24 various senior management, and paid certain of MedMen’s employees who worked out of  
25 MedMen’s Culver City offices. Defendant MM Enterprises is *not* a revenue generating entity, and  
26 does *not* own or control any of MedMen’s various retail dispensaries or cultivation facilities.

27 14. On information and belief, Defendant Advanced Patients’ Collective is, and at all  
28 times mentioned herein was, a corporation organized and existing under the laws of the State of

1 California with its principal place of business in Los Angeles County, California. On further  
2 information and belief, Advanced Patients’ Collective is a subsidiary of MM Enterprises and/or  
3 MM Enterprises, Inc. Advanced Patients’ Collective is the entity which owns the license for, and  
4 operates, MedMen DTLA, which is MedMen’s retail location in downtown Los Angeles. At all  
5 relevant times, Parker was the CFO of Advanced Patients’ Collective, and Adam Bierman and  
6 Andrew Modlin were the CEO and President of Advanced Patients’ Collective.

7 15. On information and belief, Defendant The Compassion Network is, and at all times  
8 mentioned herein was, a corporation organized and existing under the laws of the State of  
9 California with its principal place of business in Los Angeles County, California. On further  
10 information and belief, The Compassion Network is a subsidiary of MM Enterprises and/or MM  
11 Enterprises, Inc. The Compassion Network is the entity which owns the license for, and operates,  
12 MedMen Venice, which is MedMen’s retail location on Lincoln Boulevard, in Venice, California.  
13 At all relevant times, Parker was the CFO of The Compassion Network, and Adam Bierman and  
14 Andrew Modlin were the CEO and President of The Compassion Network.

15 16. On information and belief, Defendant MMOF San Diego Retail, Inc. is, and at all  
16 times mentioned herein was, a corporation organized and existing under the laws of the State of  
17 California with its principal place of business in Los Angeles County, California. On further  
18 information and belief, MMOF San Diego Retail, Inc. is a subsidiary of MM Enterprises and/or  
19 MM Enterprises, Inc. MMOF San Diego Retail, Inc. is the entity which owns the license for, and  
20 operates, MedMen San Diego, which is MedMen’s retail location in San Diego, California. At all  
21 relevant times, Parker was the CFO of MMOF San Diego Retail, Inc., and Adam Bierman and  
22 Andrew Modlin were the CEO and President of MMOF San Diego Retail, Inc.

23 17. On information and belief, Defendant MMOF RE SD, LLC is, and at all times  
24 mentioned herein was, a limited liability company organized and existing under the laws of the  
25 State of California with its principal place of business in Los Angeles County, California. On  
26 further information and belief, MMOF RE SD, LLC is a subsidiary of MM Enterprises and/or MM  
27 Enterprises, Inc. MMOF RE SD, LLC is the entity which owns the real estate and building on  
28 which the MedMen San Diego dispensary is located. At all relevant times, Parker was the CFO of

1 MMOF RE SD, LLC, and Adam Bierman and Andrew Modlin were the CEO and President of  
2 MMOF RE SD, LLC.

3 18. On information and belief, Defendant Desert Hot Springs Green Horizons, Inc. is,  
4 and at all times mentioned herein was, a corporation organized and existing under the laws of the  
5 State of California with its principal place of business in Los Angeles County, California. On  
6 further information and belief, Desert Hot Springs Green Horizons, Inc. is a subsidiary of MM  
7 Enterprises and/or MM Enterprises, Inc. Desert Hot Springs Green Horizons, Inc. is the entity  
8 which owns various of MedMen’s cultivation and manufacturing licenses and facilities in Desert  
9 Hot Springs, California. At all relevant times, Parker was the CFO of Desert Hot Springs Green  
10 Horizons, Inc., and Adam Bierman and Andrew Modlin were the CEO and President of Desert  
11 Hot Springs Green Horizons, Inc.

12 19. On information and belief, Cyon Corporation, Inc. is, and at all times mentioned  
13 herein was, a corporation organized and existing under the laws of the State of California with its  
14 principal place of business in Los Angeles County, California. On further information and belief,  
15 Cyon Corporation, Inc. is a subsidiary of MM Enterprises and/or MM Enterprises, Inc. Cyon  
16 Corporation, Inc. is the entity which owns the license for, and operates, MedMen Beverly Hills,  
17 which is MedMen’s retail location in Beverly Hills, California. At all relevant times, Parker was  
18 the CFO of Cyon Corporation, Inc., and Adam Bierman and Andrew Modlin were the CEO and  
19 President of Cyon Corporation, Inc.

20 20. On information and belief, Defendant MMOF Vegas Retail, Inc. is, and at all times  
21 mentioned herein was, a corporation organized and existing under the laws of the State of Nevada  
22 with its principal place of business in Los Angeles County, California. On further information and  
23 belief, MMOF Vegas Retail, Inc. is a subsidiary of MM Enterprises and/or MM Enterprises, Inc.  
24 MMOF Vegas Retail, Inc. is the entity which owns the license for, and operates, MedMen Las  
25 Vegas—The Strip, which is MedMen’s retail location located on Paradise Road, in Las Vegas,  
26 Nevada. At all relevant times, Parker was the CFO of MMOF Vegas Retail, Inc., and Adam  
27 Bierman and Andrew Modlin were the CEO and President of MMOF Vegas Retail, Inc.

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1           21.       On information and belief, Defendant MMNV2 Holdings I, LLC is, and at all times  
2 mentioned herein was, a limited liability company organized and existing under the laws of the  
3 State of Nevada with its principal place of business in Los Angeles County, California. On further  
4 information and belief, MMNV2 Holdings I, LLC is a subsidiary of MM Enterprises and/or MM  
5 Enterprises, Inc. MMNV2 Holdings I, LLC is the entity which owns various of MedMen’s  
6 recreational cultivation and manufacturing licenses for Nevada, and operates MedMen’s  
7 cultivation facility in Mustang, Nevada. At all relevant times, Parker was the CFO of MMNV2  
8 Holdings I, LLC, and Adam Bierman and Andrew Modlin were the CEO and President of  
9 MMNV2 Holdings I, LLC.

10           22.       On information and belief, Defendant MMNV2 Holdings V, LLC is, and at all  
11 times mentioned herein was, a limited liability company organized and existing under the laws of  
12 the State of Nevada with its principal place of business in Los Angeles County, California. On  
13 further information and belief, MMNV2 Holdings V, LLC is a subsidiary of MM Enterprises  
14 and/or MM Enterprises, Inc. MMNV2 Holdings V, LLC is the entity which owns various of  
15 MedMen’s recreational and cultivation licenses for Nevada, and was formed to operate a second  
16 cultivation/manufacturing facility in Nevada. At all relevant times, Parker was the CFO of  
17 MMNV2 Holdings V, LLC, and Adam Bierman and Andrew Modlin were the CEO and President  
18 of MMNV2 Holdings V, LLC.

19           23.       On information and belief, Defendant MMOF Fremont Retail, Inc. is, and at all  
20 times mentioned herein was, a corporation organized and existing under the laws of the State of  
21 Nevada with its principal place of business in Los Angeles County, California. On further  
22 information and belief, MMOF Fremont Retail, Inc. is a subsidiary of MM Enterprises and/or MM  
23 Enterprises, Inc. MMOF Fremont Retail, Inc. is the entity which owns the license for, and  
24 operates, MedMen Downtown Las Vegas, which is MedMen’s retail location in downtown Las  
25 Vegas, Nevada. At all relevant times, Parker was the CFO of MMOF Fremont Retail, Inc., and  
26 Adam Bierman and Andrew Modlin were the CEO and President of MMOF Fremont Retail, Inc.

27           24.       On information and belief, Defendant Medmen NY, Inc. is, and at all times  
28 mentioned herein was, a corporation organized and existing under the laws of New York with its

1 principal place of business in Los Angeles County, California. On further information and belief,  
2 Medmen NY, Inc. is a subsidiary of MM Enterprises and/or MM Enterprises, Inc. Medmen NY,  
3 Inc. is the entity that owns MedMen’s medical marijuana license for New York, owns and  
4 operates MedMen’s cultivation facility in New York, and its 4 retail dispensary locations in New  
5 York. At all relevant times, Parker was the CFO of Medmen NY, Inc., and Adam Bierman and  
6 Andrew Modlin were the CEO and President of Medmen NY, Inc.

7       25.     On information and belief, MME Florida LLC is, and at all times mentioned herein  
8 was, a limited liability company organized and existing under the laws of Florida with its principal  
9 place of business in Los Angeles County, California. On further information and belief, MME  
10 Florida LLC is a subsidiary of MM Enterprises and/or MM Enterprises, Inc. MME Florida LLC is  
11 the entity which owns MedMen’s medical marijuana license for the State of Florida, owns and  
12 operates 1 cultivation and manufacturing facility in Florida, and 9 retail dispensary locations.  
13 At all relevant times, Parker was the CFO of MME Florida LLC, and Adam Bierman and Andrew  
14 Modlin were the CEO and President of MME Florida LLC.

15       26.     Defendant Adam Bierman (referred to above and below as “Bierman”) is an  
16 individual and the CEO of the entire MedMen enterprise, consisting of all the MedMen Entity  
17 Defendants named herein. Plaintiff is informed and believes and on that basis alleges, that at all  
18 relevant times Bierman principally worked and resided in Los Angeles County, California.

19       27.     Defendant Andrew Modlin (referred to above and below as “Modlin”) is an  
20 individual and the President of the entire MedMen enterprise, consisting of all the MedMen Entity  
21 Defendants named herein. Plaintiff is informed and believes and on that basis alleges, that at all  
22 relevant times Modlin principally worked and resided in Los Angeles County, California.

23       28.     Defendants DOES 1 through 25, inclusive, were at all times relevant herein  
24 employees, agents, and/or members of MedMen and/or its Board of Directors. Plaintiff is ignorant  
25 of the true names and capacities of Defendants sued herein as DOES 1 through 25, inclusive, and  
26 therefore sues these Defendants by such fictitious names. Plaintiff will pray leave of court to  
27 amend this Complaint to allege the true names and capacities when ascertained. Plaintiff is  
28 informed and believes and thereon alleges that each of the fictitiously named Defendants is

1 responsible in some manner for the occurrences herein alleged, and that Plaintiff’s damages as  
2 herein alleged were proximity caused by those Defendants.

3 29. Plaintiff is informed and believes and thereon alleges that each of the Defendants  
4 herein was at all times relevant to this action, the agent and employee of each of the remaining  
5 Defendants, and in doing the things hereunder alleged, was acting within the course and scope of  
6 this agency or employment. Plaintiff is further informed and believes and thereon alleges that each  
7 of the Defendants herein gave consent to, ratified, and authorized the acts alleged herein to each of  
8 the remaining Defendants.

9 30. Specifically, at all relevant times alleged herein, individual Defendants Bierman  
10 and Modlin were acting as agents, employees and officers of all of the MedMen Entity  
11 Defendants, and in doing all of the acts alleged herein, were acting with the course and scope of  
12 this agency and employment. The MedMen Entity Defendants were operated by CEO Bierman  
13 and President Modlin as a single enterprise out of MedMen’s headquarters in Culver City,  
14 California. Because of the unique nature of how MedMen’s assets were owned (within the specific  
15 state in which they exist), the work that Bierman and Modlin engaged in on a daily basis was work  
16 that they did on behalf of the entire MedMen enterprise, including all of the MedMen Entity  
17 Defendants. This was true of all of MedMen’s senior management, including Plaintiff Parker.

18 IV.

19 **JOINT EMPLOYER ALLEGATIONS**

20 31. In California, “[m]ultiple entities may be employers” of a single employee.  
21 *Castaneda v. Ensign Group, Inc.* (2014) 229 Cal.App.4th 1015, 1019. During all relevant times,  
22 and under any applicable test, all of the named MedMen Entity Defendants jointly employed  
23 Parker. Although Parker’s Letter Agreement was signed by Bierman on behalf of original  
24 Defendant MM Enterprises, paragraph 2 of the Letter Agreement defined Parker’s core job  
25 responsibilities to include “*oversee[ing] the financial operations of subsidiary companies and*  
26 *foreign operations.*” (See Exhibit “A,” Letter Agreement, ¶ 2.) The subsidiary companies that  
27 Parker was tasked to oversee included all of the MedMen Entity Defendants named herein.  
28

1           32.     It is undisputed that Parker was the CFO of all of the MedMen Entity Defendants,  
2 despite the Letter Agreement defining the “Company” as MM Enterprises. On or about December  
3 3, 2019, former Chief Operating Officer (“COO”) of MedMen, Barry Fischetto, testified under  
4 oath that throughout the entire time that he worked at MedMen—which was approximately the  
5 *same* period Parker was at the Company—Parker was the CFO of all of the various MedMen  
6 Entity Defendants. Mr. Fischetto also confirmed that he was the COO of all these MedMen Entity  
7 Defendants, and that Bierman and Modlin controlled and directed all of the work that both he and  
8 Parker did for the MedMen Entity Defendants. Similarly, on or about December 6, 2019,  
9 MedMen’s former Senior Vice President of Technology, Alfred Miranda, who also worked  
10 closely with Parker at MedMen, confirmed the same in his sworn deposition testimony.

11           33.     In fact, Parker estimates that *over 80%* of the work that he did at MedMen was on  
12 behalf of MedMen Entity Defendants *other than* original Defendant MM Enterprises, which  
13 signed the Letter Agreement. This is because MM Enterprises is a holding company that entered  
14 into written agreements for certain senior executives who worked out of MedMen’s Culver City  
15 headquarters. MM Enterprises is *not* a revenue generating entity for MedMen, and does *not* own  
16 or operate any of its retail or cultivation operations. As such, the vast majority of the work that  
17 Parker did at MedMen—which he considered to be work done for the *entire enterprise*—was for  
18 the various MedMen Entity Defendants that actually owned and operated MedMen’s retail stores  
19 and cultivation/manufacturing facilities, its various cannabis licenses, and its real estate.

20           34.     On a daily basis at MedMen, Parker did substantial work for each of the MedMen  
21 Entity Defendants. For example, with respect to the MedMen Entity Defendants that owned and  
22 operated retail dispensaries,<sup>1</sup> Parker *inter alia* (a) oversaw the compilation of, and reviewed, daily  
23 sales and traffic reports; (b) oversaw the compilation of, and reviewed, weekly aggregate cash  
24 flow reports, which includes tracking and reporting store revenue and expenses; (c) oversaw the

25 \_\_\_\_\_  
26           <sup>1</sup> This includes Defendants Advanced Patients’ Collective, The Compassion Network,  
27 MMOF San Diego Retail, Inc., Cyon Corporation, Inc., MMOF Vegas Retail, Inc., MMOF  
28 Fremont Retail, Inc., MedMen NY, Inc., and MME Florida LLC.

1 payment of store-level payroll which was generally paid out of accounts set up for each  
2 entity/store; (d) oversaw store-level employee benefit management; (e) oversaw store-level debit  
3 card processing, which included terminal management, trouble shooting, and account settlement;  
4 (f) oversaw store-level cash collection; (g) oversaw store-level bank account management;  
5 (h) oversaw store-level tax remittance, including sales tax, cannabis tax, and income tax;  
6 (i) oversaw the payment of store-level accounts payable (including paying for store-level  
7 inventory); (j) oversaw the payment of store-level utility and rent payments; (k) oversaw the store-  
8 level build out and construction budgets; (l) oversaw the store-level sales goals/forecasts  
9 management; (m) set store-level annual budgets; (n) oversaw and performed store-level  
10 accounting for each named entity (e.g., every entity that operated a retail dispensary had its own  
11 P&L, Balance Sheet, and Cash Flow Statement, which were contained in separate accounting files  
12 in the accounting system); (o) reviewed and helped set store-level performance compensation  
13 structures (sales targets and bonuses for employees); (p) oversaw and helped set store-level  
14 overhead expense budgeting; (q) oversaw store-level inventory accounts; (r) oversaw store-level  
15 entity audit requirements, including audit of cashed checks; (s) oversaw the installation of ATMs  
16 at every store; and (t) during the period when Parker was in-charge of Human Resources, oversaw  
17 store-level union negotiations and personnel issues, including the hiring and firing of employees  
18 and overseeing related lawsuits. Parker was also tasked with reporting all of this information for  
19 the various MedMen Entity Defendants to CEO Bierman, President Modlin and often times,  
20 General Counsel Sergi Trager. Furthermore, Parker was directed to report all of the numbers  
21 (actual and estimates) for the performance of the retail stores to MedMen’s Board of Directors.

22 35. For the MedMen Entity Defendants that owned and operated cultivation and  
23 manufacturing assets,<sup>2</sup> Parker performed many of the same functions listed above, but also *inter*

24 \_\_\_\_\_

25 <sup>2</sup> This includes Defendants Desert Hot Springs Green Horizons, Inc., MMNV2 Holdings I,  
26 LLC, MMNV2 Holdings V, LLC, MedMen NY, Inc., and MME Florida LLC. MMOF RE SD,  
27 LLC owns the property on which MedMen’s San Diego dispensary is located, and Parker was  
28 responsible for making mortgage payments, collecting monthly rents, paying property taxes, and  
dealing with other property management issues that arose with respect to the property.

1 *alia* (a) set and oversaw construction budgets; (b) made construction loans payments; (c) oversaw  
2 all accounts payable for contractors and equipment orders; (d) oversaw and managed payroll and  
3 benefits for entities with employees; (e) oversaw and managed lease payments; (f) funded various  
4 entity construction escrow accounts; and (g) oversaw and compiled factory level cash flow.  
5 Parker was also tasked with reporting all of this information for the various MedMen Entity  
6 Defendants to CEO Bierman, President Modlin, and often times, General Counsel Sergi Trager.  
7 Furthermore, Parker was directed to report all of the numbers (actual and estimates) for the  
8 cultivation and manufacturing facilities to MedMen’s Board of Directors.

9         36. Importantly, as the CFO of the entire MedMen enterprise, Parker was also  
10 responsible for consolidating the performance of all the MedMen Entity Defendants into  
11 consolidated financials for disclosure statements, and quarterly and annual financial reporting.  
12 As the CFO of all the entities that comprised the MedMen enterprise, Parker was responsible for  
13 signing audited consolidated financial reports and creating numerous other public reports, which  
14 attested to the financial performance of the entire MedMen enterprise. For example, Parker  
15 oversaw the compiling of the 121-page Annual Information Form (“AIF”) for MedMen, dated  
16 November 2, 2018. The first page of the AIF specifically provides that “[a]ll references in this AIF  
17 to the Company also includes references to *all subsidiaries* of the Company as applicable.”<sup>3</sup>

18         37. With respect to the work that Parker did for all of the MedMen Entity Defendants  
19 delineated above, Parker took direction directly from Bierman and Modlin, and reported directly  
20 to Bierman and Modlin. Parker had weekly executive meetings during his tenure at MedMen,  
21 where he reported to both Bierman and Modlin regarding all of the above responsibilities as they  
22 related to all of the various MedMen Entity Defendants, and had numerous other in-person and  
23 \_\_\_\_\_

24         <sup>3</sup> This AIF also explains the unique structure of MedMen’s various legal entities, and  
25 explains that MedMen (the public company) “is a holding company and essentially all of its assets  
26 are the capital stock of its material subsidiaries. As a result, investors in MedMen are subject to  
27 the risks attributable to its subsidiaries. Consequently, MedMen’s cash flows and ability to  
28 complete current or desirable future opportunities are dependent on the earnings of its  
subsidaries.”

1 telephonic conversations with both Bierman and Modlin on a daily basis regarding the operations  
2 of all of these entity Defendants. Again, the *vast majority* of the communications that Parker had  
3 with Bierman and Modlin, and the vast majority of the direction that he took from Bierman and  
4 Modlin, was in connection with work that Parker did on behalf of the MedMen Entity Defendants  
5 *other than* MM Enterprises. This is because MedMen’s various state-based operations are owned  
6 and controlled by MedMen’s various subsidiaries named herein.

7           38.       Moreover, when CEO Bierman and/or President Modlin gave Parker directions  
8 with respect to any of the MedMen Entity Defendants, Parker was obligated to follow those  
9 directions. Bierman and Modlin gave Parker specific directions with respect to the MedMen Entity  
10 Defendants on a weekly, if not daily, basis. For example, while at MedMen, Bierman and/or  
11 Modlin directed Plaintiff to put various of MedMen’s cannabis licenses, which were owned by  
12 various MedMen Entity Defendants other than MM Enterprises, in Parker’s name in instances  
13 where the license had to be in an individual’s name, including Defendants Advanced Patients’  
14 Collective, Cyon Corporation, Inc., and The Compassion Network.<sup>4</sup> Bierman and Modlin would  
15 also often call Parker on an urgent basis directing that a certain MedMen vendor had to be given  
16 priority in payment. Most often, these were vendors that provided product or services to MedMen  
17 retail stores and/or cultivation/manufacturing facilities, which were all owned by the MedMen  
18 Entity Defendants *other than* MM Enterprises. Bierman and Modlin also directed Parker to put  
19 numerous expenses for *all of the various* MedMen Entity Defendants on his personal American  
20 Express card, which he did. This amounted to hundreds of thousands of dollars a month in  
21 expenses related to the various MedMen Entity Defendants—including all of the entities named  
22 herein—that Parker was directed to put on his personal American Express card.

23           39.       Similarly, Parker’s efforts to control spending at the various MedMen retail stores  
24 and cultivation/manufacturing facilities was directly interfered with by Bierman and Modlin.

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26           <sup>4</sup> Additionally, as CFO of these MedMen Entity Defendants, Parker was repeatedly “live  
27 scanned” (fingerprinted) as a responsible party in relation to the various cannabis licenses the  
28 entities held.

1 In countless executive meetings and conversations during his tenure at MedMen, Parker tried to  
2 implement spending protocols to reduce expenses for the various MedMen Entity Defendant,  
3 which owned and operated MedMen’s retail stores and cultivation/manufacturing facilities.  
4 On countless occasions, Bierman and Modlin interfered with, and superseded, Parker’s decisions  
5 regarding spending. In these instances—which happened repeatedly throughout the entire time  
6 Parker was CFO of MedMen—Parker was ordered by Bierman and Modlin to pay and/or approve  
7 certain expenses, and/or to abandon certain policies or procedures. Again, this most often  
8 happened with respect to spending by the MedMen Entity Defendants *other than* MM Enterprises.

9 40. In fact, some of the most heated interactions that Parker had with Bierman and  
10 Modlin (as alleged *infra* herein) concerned conduct that was happening in connection with  
11 MedMen Entity Defendants *other than* MM Enterprises. For example, Parker had numerous  
12 aggressive conversations with Bierman and Modlin where he advocated that the accepting of  
13 credit cards in the individual dispensaries—which were all owned by MedMen Entities *other than*  
14 MM Enterprises—was illegal. Similarly, Parker strenuously advocated for including cash counting  
15 machines (which would *inter alia* reduce the impact of employee error and/or theft) at the various  
16 MedMen dispensaries (again, all owned by MedMen Entity Defendants *other than* MM  
17 Enterprises), which idea was unceremoniously rejected by Modlin. Also Parker’s inquiries with  
18 Modlin about the proper stocking of mother plants in Nevada, related to the Mustang Cultivation  
19 facility in that State. Even the pressure that Parker was under to manage and approve campaign  
20 contributions, were often paid from accounts for MedMen Entity Defendants *other than* MM  
21 Enterprises. Moreover, the “stay bonuses” which President Modlin purported to take issue with as  
22 explained *infra* at ¶¶ 69-70, were bonuses Parker authorized for key financial professionals  
23 working on MedMen’s consolidated accounting and financial reports, which of course, related to  
24 each of the MedMen Entity Defendants.

25 41. Moreover, when Bierman and Modlin began their crusade to drive Parker out of  
26 MedMen without honoring the severance benefits called for in the Letter Agreement, they  
27 specifically interfered with Parker’s responsibilities as they related to *all* of the MedMen Entity  
28 Defendants. There was *no distinction* between or among the acts that Bierman and Modlin

1 engaged in, or on behalf of, any particular MedMen entity. For example, when Bierman and  
2 Modlin were mocking Plaintiff based on his weight, appearance and penchant for following the  
3 law, they were doing so on behalf of *all* of the MedMen Entity Defendants. Similarly, when  
4 Bierman and Modlin used the racist, sexist, and homophobic language described herein, they were  
5 acting in their capacity as the CEO and President of *all* the MedMen Entity Defendants.

6 42. Finally, the toxic and abusive work environment that Bierman and Modlin created  
7 for Parker was designed to drive him out of his role as CFO of *all* of the MedMen Entity  
8 Defendants. Moreover, when in November 2018, Parker was constructively terminated in  
9 violation of public policy, he was removed as CFO of *all* of the MedMen Entity Defendants.

10 **ALLEGATIONS COMMON TO ALL CAUSES OF ACTION**

11 43. Adam Bierman is the CEO and Andrew Modlin is the President of *all* of the  
12 various entities which make up MedMen. Together they started the primary businesses that were  
13 restructured in a reverse takeover transaction in early 2018. Self-proclaimed visionary  
14 entrepreneurs and “ultimate disruptors,” they focused upon what they believed were the  
15 tremendous business opportunities in the growing legalization of marijuana under State law, while  
16 downplaying the risks associated with the cultivation, sale and use of cannabis which remains  
17 illegal under Federal law pursuant to the U.S. Controlled Substances Act of 1970 (“CSA”).

18 44. According to the Company’s public disclosures, if prosecuted by the Department of  
19 Justice, pursuant to the CSA, the Company could face seizure of its cash and other assets used to  
20 support or derived from its cannabis subdivisions, and its officers, employees, directors, managers,  
21 and investors could face charges of ancillary criminal violations of the CSA for aiding and  
22 abetting and conspiring to violate the CSA. Employment in the cannabis industry carries with it  
23 other problems as well. MedMen employees, including Plaintiff, have had brokerage and bank  
24 accounts shut down, and insurance applications denied. Individuals employed in cannabis industry  
25 have also been denied personal bankruptcy protection based on the illegality of their employment  
26 under Federal law. Due to his employment by the Company, Parker, in particular, no longer is  
27 eligible to qualify for a U.S. Government Top Secret security clearance, a credential Plaintiff  
28 previously held for 8 years.

1           45.     While prior Federal administrations have taken a more lenient view eschewing  
2 prosecutions of state regulated cannabis companies, the current Federal administration is viewed  
3 as more hostile. It remains uncertain how active prosecutions will be against companies who are  
4 nonetheless compliant with state law.

5           46.     Against this risky backdrop, CEO Bierman and President Modlin asked Parker to  
6 become MedMen’s first CFO. At the time, Plaintiff was the Chief Operation Officer of Treehouse  
7 Capital, the parent entity to MedMen’s previous Private Equity ventures. Plaintiff was a seasoned  
8 executive with extensive, high level experience in strategies overhaul, business planning and  
9 forecasting. He had held multiple C-Suite and senior level positions in private equity, consulting,  
10 investment management and banking. He also had earned an MBA from the USC Marshall School  
11 of Business and a B.A. from Rice University.

12           47.     In February 2018, Parker entered into a written employment agreement with MM  
13 Enterprises which at the time was exclusively privately held. Pursuant to that agreement, Parker  
14 was to be employed as the CFO of the *entire* MedMen enterprise. The agreement sought to strike  
15 a balance between accepting the risks associated with any new business and the anticipated  
16 financial reward if the business was successful. (That agreement is *not* at issue in this action.)

17           48.     Confronted with the MedMen’s inability to raise sufficient capital, punitive  
18 banking regulations, and legal challenges facing a cannabis company in the United States,  
19 Parker was the genesis of the idea to qualify MM Enterprises into a fully rolled-up entity for the  
20 Canadian Securities Exchange. While MM Enterprises would remain *the* operational subsidiary,  
21 its indirect parent company, MM Enterprises, Inc., would become a publicly traded entity (*i.e.*  
22 “going public”).

23           49.     In preparation of taking MM Enterprises’ indirect parent public and the enhanced  
24 regulatory scrutiny and fiduciary duties which would be owed to public investors, key members of  
25 MedMen’s senior management (including CEO Bierman, President Modlin, Chief Strategy  
26 Officer Chris Ganan, General Counsel Lisa Sergi Trager and Plaintiff) all entered into new similar,  
27 although not identical, employment agreements with the Company.

28

1           50.       These new employment agreements provided each of them the *authority* necessary  
2 to perform their respective duties and obligations on behalf of the Company, and the *security* to  
3 exercise that authority to safeguard the Company as well as to protect the interests of the investing  
4 public. The Letter Agreement specifically gave Plaintiff the obligation and authority to “*oversee*  
5 *the financial operations of subsidiary companies and foreign operations.*” (See Ex. “A,” Letter  
6 Agreement, ¶ 2.) It also defined the term Company to refer to both MME, the operating entity, and  
7 related entities, including the entity that was to go public in Canada. As organized, MM  
8 Enterprises’ senior management also held *identical titles* in its parent company MedMen  
9 Enterprises, Inc. and in various other related subsidiaries named herein.

10           51.       Reflective of the critical role a CFO occupies in general and, in the case of a soon  
11 to be publicly traded Company in particular, Plaintiff’s Letter Agreement provided in relevant part  
12 as follows:

13                   **1. Position and Term.** \*\*\* Your title and position as Chief  
14 Financial Officer will not change during the term of this Agreement  
15 and you will not be demoted. This Agreement will be in full force  
16 and effect for four (4) years from the date of your countersignatures  
17 below. At the end of that four (4) year period, this Agreement will  
18 automatically renew for an additional three (3) year period under  
19 financial terms that will be targeted to increase by fifty (50%)  
20 percent from the terms currently provided herein, subject to  
21 approval by the Chief Executive Officer and the Board of Directors  
22 of the Company (“the Board”).

23                   **2. General Duties and Responsibilities.** As Chief Financial  
24 Officer, you will report to the Chief Executive Officer. The Chief  
25 Financial Officer is charged with the financial, accounting, tax, and  
26 the financial aspects of the risk management operations of the  
27 company. This includes the development of a financial and  
28 operational strategy, metrics tied to that strategy, and the ongoing  
development and monitoring of control systems designed to  
preserve company assets and report accurate financial results. As  
part of your responsibilities, you will monitor and direct the  
implementation of strategic business plans, develop financial and tax  
strategies, manage the capital request and budgeting processes,  
develop performance measures that support the company’s strategic  
direction, participate in key decisions as a member of the executive  
management team, manage the accounting, investor relations, tax,  
and treasury departments, oversee the financial operations of  
*subsidiary companies and any foreign operations*, manage any  
third parties to which accounting or finance functions have been  
outsourced, and oversee the issuance of financial information and  
reports. These are examples of your duties and responsibilities and

1 other tasks may be assigned to you from time to time by the  
2 Company's Chief Executive Officer where he/she deems necessary  
or desirable. (Ex. A, Letter Agreement, at 1) (emphasis added.)

3 (A true and correct copy of Plaintiff's Letter Agreement dated May 18, 2018, is attached hereto as  
4 Exhibit "A" and hereby incorporated by reference.)

5 52. As a result of the tireless efforts of Plaintiff and others, on May 29, 2018, MedMen  
6 Enterprises, Inc. was listed on the Canadian Securities Exchange and the economic details of  
7 Plaintiff's compensation package as the CFO of the Company were detailed in the publicly-  
8 available listing Prospectus filed with the listing application.

9 53. While management in a private company may have to answer to its investors, who  
10 may be more willing to allow greater latitude to nurture an entrepreneurial spirit, management in a  
11 public company is ultimately answerable to its public shareholders. CEO Bierman and President  
12 Modlin have failed to appreciate this distinction and have engaged in a course of conduct which  
13 recklessly jeopardizes the operations of the Company, its ability to raise additional capital and the  
14 value of shareholders' interests.

15 54. MM Enterprises' parent going public was an enormous boon to CEO Bierman and  
16 President Modlin (to the tune of hundreds of millions of dollars in direct and indirect equity value)  
17 along with other initial investors in MedMen. However, while more than willing to accept the  
18 benefits of now heading a publicly traded Company, neither CEO Bierman, nor President Modlin,  
19 was willing to accept the accompanying responsibilities. They continued to conduct themselves as  
20 if it was their personal Company, rather than as custodians of the public's trust. This included  
21 numerous instances of questionable use of public funds including, but not limited to, suspicious  
22 payments consistent with manipulation of the Company's stock price, projects targeting third  
23 parties believed to have "wronged" the Founders personally, profligate spending both personal and  
24 Company-related, and a general dismissiveness of behavioral requirements expected of executives  
25 of a publicly traded corporation.

26 55. Oblivious to the critical role a CFO has both to the Company and its shareholders,  
27 CEO Bierman and President Modlin wanted to continue operating MedMen as they saw fit.  
28 They viewed Parker's allegiance to his duties to *the Company* and his fiduciary duty to *its*

1 *shareholders* as an impediment to, and incompatible with, their unfettered conduct. Moreover,  
2 having achieved the paramount goal of becoming a publicly traded Company, CEO Bierman and  
3 President Modlin viewed Parker as expendable and (encouraged by MedMen Enterprises, Inc.’s  
4 Chairman of the Board Ben Rose) that the time had come to “upgrade” to a “NASDAQ quality”  
5 CFO (although ostensibly one who would not have all the benefits provided to Plaintiff).

6 56. Under these circumstances, the Company should have disclosed its intent to Parker  
7 and bought out his contract. Instead, Defendants fraudulently induced Plaintiff to enter into the  
8 Letter Agreement in *mid-May 2018*, so that Parker would successfully complete the Company’s  
9 go-public efforts, without any intent of fully performing under that new Letter Agreement.  
10 In retrospect, Bierman and Modlin understood that they absolutely needed Parker to successfully  
11 take MedMen public in late-May 2018, but had *no intent* of performing under the Letter  
12 Agreement after that critical and high-profile goal had been achieved.

13 57. It is now clear that when that Letter Agreement was signed in *mid-May 2018*,  
14 Defendants had *already concluded* that after the go-public efforts were completed, they would  
15 dramatically reduce Parker’s responsibilities and re-negotiate his deal to some far lesser position  
16 in the Company, and/or force him out without severance. To achieve indirectly what they could  
17 not achieve directly (*i.e.* termination for cause), almost immediately after entering into the Letter  
18 Agreement, CEO Bierman and President Modlin engaged in a rolling demotion in breach of  
19 Parker’s Letter Agreement. In so doing, CEO Bierman and President Modlin further undercut  
20 Plaintiff’s duties and authority to look out for the interests of MedMen and its shareholders by,  
21 among other things, identifying and attempting to rectify CEO Bierman’s and President Modlin’s  
22 excessive and unnecessary spending, and engaging in transactions and other conduct which  
23 subordinated the interests of shareholders.

24 58. Without limitation, although expressly precluded from doing so, CEO Bierman and  
25 President Modlin interfered with and diminished Parker’s responsibilities as they related to *all of*  
26 *the* various MedMen Entity Defendants by *inter alia* diminishing Parker’s role in securities law  
27 compliance, Investor Relations, Purchasing, Corporate Development, Capital raising, approval for  
28 projects or spending, and in enforcing other policies and procedures that Parker had adopted to

1 ensure compliance with the Company’s fiduciary responsibility. Instead, Parker was confronted  
2 with what he viewed as a cult of personality. CEO Bierman and President Modlin demanded and  
3 received whatever they wanted, whether or not it was in the best interests of the Company. It was  
4 well known at MedMen that if Parker denied a spending request, CEO Bierman and President  
5 Modlin would likely overrule his decision as a matter of standard practice.

6           59.       Bierman and Modlin labeled Plaintiff as angry, uncool, old and overly conservative  
7 because he had to constantly tell the CEO and President what they were doing was not allowed  
8 and that MedMen was not their personal piggy bank. After paying each of the Founders (who  
9 already own combined more than 20% of a \$2 Billion market cap entity) \$1.5 Million in salary a  
10 year, Plaintiff was ordered to spend several millions of Company dollars on such items as 24-hour  
11 armed Executive Protection (security) for the CEO, President, and their families, high-tech safe  
12 rooms and security systems for their new houses, personal drivers, private jets (often with friends  
13 and family along for the ride), luxury hotels, special order pearl white Escalades for the CEO (and  
14 another car for his family), a custom \$160,000 Tesla SUV demanded by the President, tens of  
15 thousands of dollars apiece on multiple extravagant custom conference room tables, and placing  
16 CEO Bierman’s personal therapist and marriage counselor on staff fulltime as a “performance  
17 improvement expert” at a pay rate in excess of \$300,000 a year.

18           60.       Parker as CFO had reduced authority in the Company and employees knew it.  
19 Employees openly dismissed his policies and procedures because they were in favored groups  
20 (such as Operations and Marketing run by President Modlin, or Communications and Corporate  
21 Development run by CEO Bierman) or had long-standing special relationships with President  
22 Modlin and CEO Bierman. For example, Plaintiff was required to approve a \$1200 sushi dinner  
23 for President Modlin and his Chief of Staff because Plaintiff had to tell her she was not getting a  
24 raise. (However, the Chief of Staff then received a 100% raise a month later to \$250,000 a year  
25 approved solely by the President.)

26           61.       Against that backdrop, Plaintiff was tasked with managing it all. To that end, the  
27 CEO and President would contact Parker morning, noon and night directing spending matters and  
28 incredulously asking “why can’t we pay our bills on time?” Again, these were questions,

1 directions and demands that Bierman and Modlin had in connection with *all of the* MedMen  
2 Entity Defendants. Despite the Company being in a near constant cash crunch, and relaying that  
3 information to the Board, the Chairman of the Board would often ask “why the Company’s burn  
4 rate is so high,” or would demand to know why management fee payouts from the Private Equity  
5 funds (where Plaintiff was not employed) were lower than expected. Plaintiff’s authority was  
6 deliberately undercut throughout the organization, and as it related to *all of the* MedMen Entity  
7 Defendants named herein. The Corporate Communications Director, to whom management of  
8 Investor Relations was transferred, openly stated, “I don’t have to listen to James, I only answer to  
9 [CEO] Adam.”

10           62.       Moreover, rather than participate in key decisions as a member of the executive  
11 management team as contractually mandated, Parker was marginalized with respect to  
12 communications with the Finance Team, excluded completely from the Company’s predicate  
13 roadshow for the purchase of PharmaCann (although the PharmaCann CFO was included), and  
14 PharmaCann’s Finance and Accounting teams were then reflected in a public organizational chart  
15 as reporting to *both* President Modlin *and* Plaintiff, rather than exclusively to Plaintiff. (This was  
16 the only such group assigned a Founder “babysitter,” and a clear violation of the responsibilities  
17 laid out in Parker’s Letter Agreement—“*i.e. to* oversee the financial operations of *subsidiary*  
18 *companies.*”

19           63.       About the same time, CEO Bierman and President Modlin took direct action to  
20 surreptitiously attack and undercut Plaintiff’s title and position as CFO of all of the MedMen  
21 Entity Defendants. With an eye towards replacing Parker as CFO, Parker is informed and believes  
22 and upon that basis alleges, that CEO Bierman and President Modlin consulted with attorneys at  
23 the Company, outside counsel and with counsel from its largest investor to assess the  
24 enforceability of Plaintiff’s Letter Agreement. Convinced of its validity and the high burden  
25 associated with establishing “termination for cause,” CEO Bierman and President Modlin adopted  
26 a different strategy.

27           64.       CEO Bierman and President Modlin accelerated their campaign to deny Parker the  
28 benefits to which he was entitled under the terms of the Letter Agreement by coercing Parker to

1 move “up or out,” ostensibly without triggering the Company’s severance obligations under  
2 paragraph 6 of the Letter Agreement. After Plaintiff’s original complaint was filed, President  
3 Modlin’s ex-boyfriend contacted Plaintiff’s then-counsel to inform him that he had heard Modlin  
4 say as early as *August 2018*—just approximately *10 weeks after* the Letter Agreement was  
5 signed—that Parker would be “gone from MedMen soon.”

6           65.       Unbeknownst to Plaintiff at the time, Plaintiff is informed and believes and upon  
7 that basis alleges that on or about October 8, 2018, CEO Bierman miscoded an invoice,  
8 circumvented normal invoice process and went behind Parker’s back to pay \$50,000 to an  
9 executive search firm (specializing in searching for financial executives) which had been retained  
10 on or about September 25, 2018 under cover of a purported “Management Assessment” project.  
11 When Plaintiff discovered the charge, he was told it was for a “confidential search” for a new  
12 Chief Information Officer that had been “approved by Adam and Andrew.”

13           66.       Given that Plaintiff already had been instructed to search for and communicate with  
14 data scientist specialists as introduced by Chairman of the Board Ben Rose, there was no logical  
15 reason for the CIO search to have been confidential, let alone kept confidential from Parker or  
16 outside of his established contract review and spending processes. CEO Bierman eventually  
17 admitted to Parker that the leading CIO candidate (Ryan Lissack, who was eventually hired in or  
18 around February 2019) was already known to the Company, thereby making the engagement of a  
19 \$50,000 retained search recruiter unnecessary and merely a subterfuge to hide the search for a new  
20 CFO. When Parker directly pointed out this inconsistency, Bierman’s fumbling response was “I  
21 don’t know, it’s just what he asked me to do.” Plaintiff was *humiliated* again, this time before his  
22 Accounts Payable team, members of which clearly saw what was taking place having researched  
23 the invoice, discovered the inconsistency in the invoice and the service provider, and brought it to  
24 Plaintiff’s attention.

25           67.       When Parker became aware of these events, he brought it to the attention of CEO  
26 Bierman at an October 27, 2018 meeting. After first denying it had anything to do with replacing  
27 Parker as CFO, Bierman then “suggested” that Parker renegotiate his agreement for a more  
28 “strategic role” at MedMen, and “let some other geek handle the audit.” CEO Bierman’s proposal

1 was that Plaintiff would become “Vice-President of Strategy.” Given that Chris Ganan was  
2 already Chief Strategy Officer, the proposed title created by CEO Bierman for Plaintiff was a not a  
3 C-suite level position such as his then current position as CFO, and would have relegated Parker to  
4 a position of sidelined irrelevance, a demotion that violates the second line of the Letter  
5 Agreement. When Parker indicated he was not interested in another position, CEO Bierman  
6 continued to insist, even falsely telling Plaintiff that General Counsel Lisa Sergi Trager had agreed  
7 to a demotion to Senior V.P./Legal reporting to a new General Counsel, and implying that Parker  
8 should similarly play ball.

9 68. Shortly thereafter, MedMen Enterprises, Inc. Chairman of the Board, Ben Rose,  
10 met with Parker and announced as a *fait accompli* “I understand you are moving into a more  
11 strategic role and I am very supportive.” Subsequently, when Parker protested to CEO Bierman  
12 that he had not agreed to any such move and that CEO Bierman should not have represented to  
13 Mr. Rose that he had done so, CEO Bierman replied “Fuck Ben Rose. He someone’s bitch. Why  
14 do you care about him? The only thing that matters is our supervoting shares.” (The CEO and  
15 President own *all* the supervoting shares, which shares provided them with enhanced voting  
16 power.) When Plaintiff told CEO Bierman and President Modlin of his intention to stay as CFO,  
17 Bierman said “Fine. Go back into your hole and handle the audit. *You’ll fail.*” Notably, this was  
18 *after* the Company’s first successful annual audit. Clearly, Bierman was predicting that Parker  
19 would fail because he knew that MedMen was setting him up for failure.

20 69. At this point, and consistent with the above, it was now President Modlin’s turn. In  
21 response to Parker’s objections to the material breach of his Letter Agreement, President Modlin  
22 claimed in a clearly pretextual and retaliatory gesture, in an email dated November 1, 2018, that  
23 Parker had granted unauthorized “stay bonuses” to key employees in his department (which, had  
24 been initiated nearly 4 months, earlier and, according to Plaintiff, were critical to the Company’s  
25 then recently completed and successful audit and earnings call; arguably a historical first, given  
26 the Company’s unique structure, industry, and cross-border nature.)

27 70. The following day, President Modlin elevated the charge into an existential threat  
28 and imposed disciplinary remedies:

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James,

As you know, I did not approve the payment of “stay bonuses.” As you also know, you did not have the authority to unilaterally authorize stay bonuses. As I explained to you, the concept of paying stay bonuses runs contrary to MedMen’s culture. In addition, your insubordination in unilaterally authorizing the stay bonuses constitutes misconduct in the performance of your duties that is not subject to cure within the meaning of the Letter Agreement RE: Employment. Nevertheless, MedMen is not presently electing to terminate your employment with Cause. In addition, you have engaged in other serious neglect in the performance of your duties and you have willfully and repeatedly failed and refused to perform your duties. We will be providing you with a more detailed description of your performance deficiencies shortly as well as a plan for curing those deficiencies. Let me state unequivocally that, as opposed to the allegations made by your attorney, MedMen has not changed your title and it has not demoted you. We have proposed that you consider a change in position, but we have neither indicated that we intend to unilaterally implement any such change. We look forward to a constructive discussion with you concerning the improvement of your employment performance so that we can move forward and continue to create value for our employees and shareholders.

Andrew. (Email 11/2/18 at 8:42 a.m.)

71. Later the same day, Parker (who by contract reported directly to the CEO, not the President, and who had already agreed not to grant similar bonuses in the future to avoid any repetition of the issue) replied to President Modlin’s clumsy attempt to change the focus from the Company’s breach of the Letter Agreement to a discussion over fabricated and suddenly materializing “performance deficiencies”:

Andrew,

The timing and substance of your email leads to only one conclusion - pretext. Your self-serving mischaracterization of “insubordination,” and claim of neglect and failure to perform my duties, are both unjustified and unsubstantiated. This is not the time or place to debate with you the events leading up to your provocative email of today, but as part of your proposed constructive discussion about my performance be prepared to discuss the problematic conduct and behavior displayed by both Adam and you inconsistent with the terms of my Letter Agreement and how that poses an actual threat to creating value to our employees and shareholders. It’s time for you to stop your charade and address the real issue at hand.

This is not about my performance (I am ready, willing and able to do, and am doing, my job). It is about your misguided attempt to

1 walk away from your contractual obligations. That discussion can  
2 be had now and there is no need to wait while you scramble to draft  
3 a list of fabricated performance deficiencies. Since you already  
4 have seen fit to engage outside counsel and refer to our Letter  
5 Agreement, further discussions related to our respective duties,  
6 obligations and performance should be handled through our  
7 respective counsel. Of course, that issue aside, our regular business  
8 communications may proceed uninterrupted.

9 Regards,

10 James (Email 11/2/18 at 12:30 p.m.)

11 72. Refusing to engage in represented negotiations between the Company and Plaintiff,  
12 President Modlin insisted upon subjecting Plaintiff to a sham “plan to improve your performance”  
13 disciplinary protocol to place Plaintiff on a path to fail and ultimately termination for cause:

14 James,

15 Your response is misguided. I intend to have a comprehensive  
16 discussion with you about what MedMen, as your employer, expects  
17 of your performance on a going forward basis. I am also happy to  
18 discuss with you any issues that you perceive with the performance  
19 of any other MedMen employee, myself included. We value your  
20 opinion. We are by no means “scrambling.” Rather, we are taking  
21 the time to thoughtfully memorialize the myriad well documented  
22 deficiencies in your performance so that both you and MedMen can  
23 understand what is expected of you in your very well compensated  
24 position. Given the amount of your base salary, the annual bonus  
25 available to you, and the value of the equity grants given to you,  
26 MedMen has every right to expect you to perform your job duties  
27 admirably. We will communicate the deficiencies that we perceive  
28 in your performance directly to you, in writing as is required by your  
employment agreement, and then we will discuss with you directly a  
plan to improve your performance. You are an employee of  
MedMen and, as such, MedMen will manage your employment  
performance with you directly. It is unreasonable to ask that your  
supervisors communicate employment performance feedback for  
one of their key executives through that executive’s attorney. The  
employer employee relationship simply does not work that way.

We will provide you with the letter outlining your performance  
deficiencies early next week. I am looking forward to getting you on  
the right track to fulfill your employment obligations to MedMen. In  
the meantime, if you would like to discuss this matter, please contact  
me any time.

Andrew (Email 11/2/18 at 1:27 p.m.)

73. At that point, it was apparent that not only was MedMen unwilling to negotiate in  
good faith with respect to its contractual obligations, but also, it had taken active steps to

1 manufacture a scenario in which Parker could not succeed and thereby, would provide MedMen  
2 with an excuse to terminate him for cause. Remarkably, discovery in this action has confirmed that  
3 Defendants were *already interviewing* candidates to replace Parker as CFO at the *same time* that  
4 they were supposedly giving him a “plan to improve his performance.” Moreover, it was the  
5 Board of Directors of the Company—and *not* Modlin—that was supposed to determine whether  
6 there was cause for Plaintiff’s termination, and assess his efforts to cure. According to deposition  
7 testimony in this case, however, MedMen’s Board had *no idea* that Bierman and Modlin were  
8 seeking to replace Parker, or that there was allegedly any cause for Parker’s termination. Thus, this  
9 entire email exercise was a complete sham and pretext on the part of Bierman and Modlin to  
10 manufacture cause to terminate Parker as CFO of the MedMen Entity Defendants without paying  
11 him the severance he was entitled to under the Letter Agreement.

12 74. At this point, and although unaware of the true extent of the Company’s fraud, it  
13 was clear to Parker that Bierman and Modlin had completely hamstrung his ability to perform his  
14 full range of responsibilities to the Company and its shareholders, and that if he stayed he would  
15 become a “dead man walking,” vulnerable to a fabricated and negative performance evaluation  
16 and, while tasked with his fiduciary duties, a scapegoat for any future problems which might arise.

17 75. Over time, working at MedMen evolved from miserable to intolerable. By way of  
18 example, CEO Bierman’s and President Modlin’s persistent and pervasive misconduct during the  
19 term of Parker’s employment was offensive and at times unlawful. Parker was forced to tolerate  
20 all of the following:

21 a. being ridiculed by CEO Bierman and President Modlin, who were acting on  
22 behalf of all of the MedMen Entity Defendants, for the way Plaintiff dressed, which was not hip  
23 enough to satisfy the Founders’ millennial culture;

24 b. being repeatedly called “fat and sloppy,” a “pussy,” and a “pussy bitch” by  
25 Bierman and Modlin, who were acting on behalf of all of the MedMen Entity Defendants,  
26 including being called a “pussy” for refusing to break the law;

27 c. having his office diminished in size and being assigned to a shared parking  
28 space with his executive assistant while less senior VP’s and even Administrative Assistants had

1 their own exclusive spots. Again, this was done at the direction of Bierman and Modlin who were  
2 at all relevant times acting on behalf of all the MedMen Entity Defendants;

3 d. subjected to hearing CEO Bierman’s racially inappropriate reference to Los  
4 Angeles City Councilman Herb Wesson as a “midget negro,” the CEO’s characterizations of  
5 cannabis social equity programs as “reparations,” and his references to a representative of the  
6 Drug Policy Alliance as a “fat, black lesbian.” When making these highly inappropriate and  
7 offensive comments, Bierman was acting on behalf of all of the MedMen Entity Defendants;

8 e. subjected to CEO Bierman and President Modlin referring to women in  
9 conflict with them as “cunts,” and those individuals with different ideas, perspectives, or perceived  
10 performance deficiencies as being “retarded.” Again, when Bierman and Modlin made these  
11 abusive and offensive comments they were acting as the CEO and President of all the MedMen  
12 Entity Defendants;

13 f. subjected to CEO Bierman’s public description (in front of the SVP,  
14 Corporate Communications) of an employee who was late for work as being “up in his hotel room  
15 fisting his boyfriend,” and instructing Plaintiff to “go up to his room, take his fist out of his  
16 boyfriend’s ass, and tell him to get to work.” Again, when Bierman made these highly offensive  
17 comments he was acting as the CEO of all of the MedMen Entity Defendants;

18 g. subjected to the CEO Bierman’s and President Modlin’s consistent drug and  
19 alcohol abuse at the office, and at various MedMen sponsored events. Again, at all relevant times,  
20 Bierman and Modlin were abusing drugs and alcohol in their role as CEO and President of all of  
21 the MedMen Entity Defendants;

22 h. subjected to CEO Bierman and President Modlin, who were acting on  
23 behalf of all of the MedMen Entity Defendants, ignoring reported cocaine use at a Company event  
24 by senior staff, and ultimately, Plaintiff having to deal with all of the resulting cultural fallout at  
25 the Company;

26 i. relegated to using his personal American Express card to fund purchases for  
27 all of the MedMen Entity Defendants ranging from \$150,000-\$250,000 *a week* because CEO  
28

1 Bierman, President Modlin, and the Company could not obtain credit cards with high enough  
2 limits since MedMen was in the cannabis industry;

3 j. being subjected to last-minute questioning about his handling of the audit  
4 and earnings process by CEO Bierman and President Modlin, who were acting on behalf of all the  
5 MedMen Entity Defendants. Going so far as the Chairman of the Board, Ben Rose, dismissively  
6 questioning the necessity of Parker’s—the CFO of a public Company—physical attendance at  
7 MedMen’s first earnings call, despite the Chairman’s lack of prior involvement, and the CEO  
8 Bierman’s notorious lack of familiarity with the financials; and

9 k. receiving no support from CEO Bierman, President Modlin, and General  
10 Counsel Sergi Trager, as Parker pushed a historic (and successful) regulatory filing across the line.

11 76. Most problematic, however, was MedMen’s increasing interference with Parker’s  
12 fiduciary obligations to the Company and its publicly trading shareholders (placing him at  
13 substantial personal financial and legal risk), including, among others:

14 a. CEO Bierman, who was acting on behalf of all the MedMen Entity  
15 Defendants, ordering Plaintiff to wire hundreds of thousands of public dollars to a “consultant” in  
16 Canada to “buy up our stock when it is under attack.” Plaintiff repeatedly asked for the trading  
17 report and what exactly happened to the stock that was purchased, was provided nothing, and told  
18 simply this was the way things operated in Canada. When Plaintiff complained to the General  
19 Counsel Sergi Trager about this transaction, he was told to essentially mind his own business as  
20 “this is Adam’s deal”;

21 b. CEO Bierman and President Modlin, who were acting on behalf of all of the  
22 MedMen Entity Defendants, ordering Plaintiff to fund third-party intelligence groups to “dig up  
23 dirt” on perceived corporate and personal enemies;

24 c. CEO Bierman and President Modlin, who were acting on behalf of all of  
25 the MedMen Entity Defendants, ordering Plaintiff to pay prohibited success fees to unlicensed  
26 broker dealers for various fundraising efforts, under the semblance of “consulting agreements”;

27 d. CEO Bierman, President Modlin, and General Counsel Sergi Trager, who  
28 were acting on behalf of all of the MedMen Entity Defendants, refusing to retract a materially

1 incorrect press release regarding a real estate transaction (that was publicly announced before it  
2 was signed, and then suffered a last minute re-trade) until Plaintiff forced them to do so by  
3 demanding that the correction be included in the annual Management Discussion & Analysis  
4 subsequent event section. CEO Bierman had responded to Plaintiff’s concern that a “\$8 million  
5 change to a deal isn’t material to a \$3 Billion dollar company.” Plaintiff reminded CEO Bierman  
6 because the Company reports \$20MM of sales a quarter and losses far more than that, an \$8MM  
7 change to a deal is in fact material, regardless of the market cap of the Company. General Counsel  
8 Sergi Trager then screamed at Plaintiff over the phone to “Shut up, Shut up, Shut up. We’re not  
9 changing anything until after the earnings call”;

10 e. CEO Bierman and President Modlin, who were acting on behalf of all of the  
11 MedMen Entity Defendants, not being fully transparent about non-arm’s length deals with  
12 numerous related parties (including PharmaCann and Captor Capital);

13 f. CEO Bierman and President Modlin, who were acting on behalf of all of the  
14 MedMen Entity Defendants, ordering the opening of a sham office in Vancouver (while  
15 maintaining a primary, custom designed office in Toronto) with the expressed intent of shifting the  
16 provincial regulator away from Ontario to British Columbia (which is perceived to be more  
17 permissive);

18 g. CEO Bierman and President Modlin, who were acting on behalf of all of the  
19 MedMen Entity Defendants, ordering Plaintiff to pay for improvements to their personal homes  
20 under the guise of “Executive Protection” without being provided a scope of work or attaining  
21 prior approval before the work was complete, and without being provided a comprehensive  
22 security policy after repeated requests. (President Modlin referred to the security policy, which  
23 provides numerous lucrative benefits to the Founders, as “really just a tax document in the end”  
24 and completely ignoring that the security policy was designed for their protection, not for their  
25 personal convenience);

26 h. CEO Bierman and President Modlin, who were acting on behalf of all of the  
27 MedMen Entity Defendants, ordering Plaintiff to sign and execute what Plaintiff is informed and  
28

1 believes and upon that basis alleges were over-market contracts for deals and services with parties  
2 to maintain the personal relationships of Chief Strategy Officer Chris Ganan;

3 i. CEO Bierman and President Modlin, who were acting on behalf of all of the  
4 MedMen Entity Defendants, compelling Plaintiff to make political contributions personally  
5 because the Company had maxed out its legal donations and the CEO had promised additional  
6 donations to a candidate in Nevada, and being required (prior to going public) to directly pay (with  
7 the Company’s funds) for a personal furniture purchase for the President, which Plaintiff is  
8 informed and believes and upon that basis alleges, was to offset a sizeable donation the President  
9 had made, but which could not be directly reimbursed by the Company who had met its  
10 contribution limit;

11 j. CEO Bierman bragging to Plaintiff that he was falsifying his personal  
12 brokerage statement when applying for his home mortgage, with the assistance of President  
13 Modlin, in order to qualify to purchase his home, ignoring the fact that if such behavior became a  
14 matter of public record it would cause untold damage to the business (as cannabis licenses often  
15 have “clean record” requirements, not to mention the public perception issues surrounding  
16 executives that feel free to commit bank fraud); and

17 k. Plaintiff being confronted by the MedMen Enterprises, Inc. Chairman of the  
18 Board who insisted, despite an irrefutable conflict of interest, that his investment position in  
19 MedMen’s private equity funds (which, in turn, is a major shareholder of the public Company) be  
20 given preferential treatment to advance his own personal economic interests in direct, and  
21 fundamentally statutory, conflict with his fiduciary duty to the public Company’s shareholders,  
22 but Plaintiff being deprived of the authority to do anything about it.

23 77. In light of these and similar circumstances, on November 5, 2018, Parker advised  
24 MedMen that he was unable to continue as CFO without violating his duty to the Company, and  
25 his fiduciary duty to its indirect parent and its shareholders, because the CEO and President had  
26 created an environment where Plaintiff was stripped of the authority required to manage  
27 expenditures in a public Company setting notwithstanding his supposed position. The CEO and  
28 President had usurped and maintained effective control and sole authority over what was expended

1 and paid on behalf of all of the MedMen Entity Defendants, regardless of the impact it may have  
2 had to the Company and shareholder value. When taken in the aggregate, these events were *more*  
3 *than* sufficiently coercive, extraordinary and egregious to give rise to Parker’s constructive  
4 discharge by all of the various MedMen Entity Defendants, which operated as MedMen.

5 **FIRST CAUSE OF ACTION**

6 **(Breach Of Contract - Demotion)**

7 **(Against all MedMen Entity Defendants)**

8 78. Plaintiff incorporates by reference and realleges Paragraphs 1 through 77, inclusive.

9 79. As previously set forth herein, on May 18, 2018, Plaintiff and the Company entered  
10 into a written Letter Agreement for employment, which made Plaintiff the CFO of MedMen. (Ex.  
11 A.) Pursuant to the Letter Agreement, Plaintiff became the CFO of MM Enterprise and all of the  
12 other MedMen Entity Defendants, and was required to “oversee the financial operations of  
13 subsidiary companies and foreign operations.” (*Id.*, ¶ 2.) In the Letter Agreement the defined term  
14 “Company” is used interchangeably to refer to the operating entity MM Enterprises, and to refer to  
15 the larger Company which includes subsidiaries and the publicly traded entity in Canada. Adam  
16 Bierman signed the Letter Agreement on behalf of MM Enterprises.

17 80. Parker expressly incorporates herein all of Parker’s joint employer allegations at ¶¶  
18 13-42. As Parker’s joint employer, all of the MedMen Entity Defendants (other than MM  
19 Enterprises, which signed the Letter Agreement), had full knowledge of the terms of the Letter  
20 Agreement, and expressly and repeatedly ratified the Agreement by directing, controlling, and  
21 accepting Parker’s substantial work under the Letter Agreement, and on behalf of *all of the*  
22 MedMen Entity Defendants, as alleged herein. By expressly and repeatedly ratifying the Letter  
23 Agreement with full knowledge of its terms, and readily accepting Parker’s services as his joint  
24 employers pursuant to the Letter Agreement, all of the MedMen Entity Defendants became liable  
25 for breach of the Letter Agreement. *See Bullard v. Wastequip Mfg. Co., LLC* (C.D. Cal. April 14,  
26 2015) 2015WL12766467 \*14; *see also Doe I v. Wal-Mart Stores, Inc.* (9<sup>th</sup> Cir. 2009) 572 F.3d  
27 677, 682 (assuming that joint employer could be sued “directly for breach of any contract”).  
28

1           81.       Alternatively, by readily and intentionally accepting and demanding Parker’s  
2 performance under the Letter Agreement, directing Parker’s performance under the Letter  
3 Agreement, and ultimately, constructively terminating Parker’s employment, the MedMen Entity  
4 Defendants—who had full knowledge of the terms of the Letter Agreement—entered into an  
5 implied-in-fact contract under California law to honor the Letter Agreement, and employ Parker  
6 according to its terms. Under the facts as alleged herein, the MedMen Entity Defendants at all  
7 relevant times knew, or should have known, that Parker interpreted their conduct as entering into  
8 an agreement to adhere to the terms of the Letter Agreement in connection with his employment.

9           82.       Plaintiff has performed all conditions, covenants and promises required on his part  
10 to be performed in accordance with the terms and conditions of the Letter Agreement except as to  
11 those as to which performance has been excused by the Company’s breach.

12           83.       During the period of May 18, 2018 through November 5, 2018, all of the MedMen  
13 Entity Defendants repeatedly breached the express terms of the Letter Agreement by failing to  
14 assign to Plaintiff all the responsibilities to which he was entitled as CFO pursuant to paragraph 2  
15 of the Agreement and, as to those responsibilities that were initially assigned, by subsequently re-  
16 assigning certain of those responsibilities to others. As initially structured, the  
17 Finance/Accounting, Capital Markets/IR, Legal, HR and Corporate Development group for all of  
18 the various MedMen Entity Defendants were all to report to Plaintiff. Over time, all but Finance  
19 and Accounting were reassigned to others: Legal to the General Counsel, HR to General Counsel  
20 and President; Corporate Development to the CEO, and IR to Corporate Communications, and  
21 PharmaCann’s Finance and Accounting team to the President.

22           84.       Additionally, Plaintiff was assigned as reflected on the Company’s new  
23 organizational chart to report to both the CEO *and* the President (and, in practice, only reported to  
24 the President on a day-to-day basis), in direct violation of his Letter Agreement (which provided  
25 he was to report directly to the CEO). By limiting his responsibilities in connection with all of the  
26 MedMen Entity Defendants, Plaintiff was deprived of critical information necessary to fully  
27 discharge his remaining responsibilities and by requiring him to report to both the CEO and  
28 President, his authority within the MedMen enterprise was diminished.



1           89. Parker expressly incorporates herein all of Parker’s joint employer allegations at ¶¶  
2 13-42. As Parker’s joint employer, all of the MedMen Entity Defendants (other than MM  
3 Enterprises which signed the Letter Agreement), had full knowledge of the terms of the Letter  
4 Agreement, and expressly and repeatedly ratified the Agreement by directing, controlling, and  
5 accepting Parker’s substantial work under the Letter Agreement, and on behalf of *all of the*  
6 MedMen Entity Defendants, as alleged herein. By expressly and repeatedly ratifying the Letter  
7 Agreement with full knowledge of its terms, and readily accepting Parker’s services as his joint  
8 employers pursuant to the Letter Agreement, all of the MedMen Entity Defendants became liable  
9 for breach of the Letter Agreement. *See Bullard v. Wastequip Mfg. Co., LLC* (C.D. Cal. April 14,  
10 2015) 2015WL12766467 \*14; *see also Doe I v. Wal-Mart Stores, Inc.* (9<sup>th</sup> Cir. 2009) 572 F.3d  
11 677, 682 (assuming that joint employer could be sued “directly for breach of any contract”).

12           90. Alternatively, by readily and intentionally accepting and demanding Parker’s  
13 performance under the Letter Agreement, directing Parker’s performance under the Letter  
14 Agreement, and ultimately, constructively terminating Parker’s employment, the MedMen Entity  
15 Defendants—who had full knowledge of the terms of the Letter Agreement—entered into an  
16 implied-in-fact contract under California law to honor the Letter Agreement, and employ Parker  
17 according to its terms. Under the facts as alleged herein, the MedMen Entity Defendants at all  
18 relevant times knew, or should have known, that Parker interpreted their conduct as entering into  
19 an agreement to adhere to the terms of the Letter Agreement in connection with his employment.

20           91. Prior to the roll-up that created the consolidated MedMen entity that would  
21 eventually be publicly listed, Plaintiff was offered and accepted the Chief Operating Officer role  
22 with the predecessor private equity funds. As the evolution of the organization proceeded, the  
23 Company initially contracted with Plaintiff in an agreement dated February 19, 2018, to become  
24 the CFO of MedMen. MedMen claimed to be so impressed with Plaintiff’s performance including,  
25 but not limited to, his material role in conceiving the idea and helping to implement how the  
26 Company could go public as well as facilitate the entity’s first ever full third-party audit and  
27 comprehensive listing prospectus, that it offered to enter into a new contract that included  
28 enhanced terms and benefits. That new agreement, the operative Letter Agreement at issue herein,

1 was signed on May 18, 2018 shortly before MedMen Enterprises Inc., began publicly trading on  
2 May 25, 2018. As it turns out, MedMen entering into Plaintiff’s new Letter Agreement was  
3 required under Canadian law for the Company to go public.

4 92. However, after MedMen Enterprises Inc., went public, Plaintiff is informed and  
5 believes and on this basis alleges that the Company concluded that Plaintiff was expendable and,  
6 with the urging of MedMen Enterprises, Inc.’s Chairman of the Board, Ben Rose, could and  
7 should be replaced by a “NASDAQ level CFO”, with “more juice and better connections” (but  
8 without the enhanced contract that had been provided to Plaintiff and other members of Senior  
9 Management). Plaintiff had been assured by CEO Bierman that Chairman of the Board Ben Rose  
10 had reviewed and approved all of the executive compensation packages but given Rose’s  
11 overwhelmingly negative response shortly after the Reverse Takeover (and the subsequent  
12 negative publicity regarding similar but more lucrative packages provided to the CEO and  
13 President), it became apparent that assurance was false.

14 93. To that end, the Company embarked upon an underhanded and craven campaign to  
15 compel Plaintiff to change positions with the various MedMen Entity Defendants, forego the  
16 benefits to which he was entitled under his operative Letter Agreement, and renegotiate for a  
17 reduced benefits contract, or move out, but without triggering the severance benefits contained in  
18 his Letter Agreement.

19 94. As detailed in paragraphs 75 and 76 above, MedMen’s campaign included verbal  
20 *ad hominem* and personal attacks on Plaintiff. He was personally *humiliated and disrespected* by  
21 acts within the organization, included downsizing his office and assigning him to shared parking  
22 space while other executives and some subordinates had their own spaces. More substantively, the  
23 scope of his responsibilities as they related to all of the MedMen Entity Defendants was cut back  
24 so that Investor Relations no longer reported to him and he was given no input into the selection of  
25 a new third-party Investor Relations consulting firm; Purchasing was not required to report to him,  
26 yet he was tasked with the responsibility for having all bills for all of the MedMen Entity  
27 Defendants timely paid; he was excluded from fundraising and non-deal “road-shows” (notably  
28 the PharmaCann roadshow which as previously mentioned did include the PharmaCann CFO who

1 did not have any public CFO experience); no longer kept abreast of fundraising efforts on a timely  
2 manner; excluded from participating in new acquisitions, including, but not limited to, the  
3 fundamental approval or structuring of said deals; and his role in participating in key decisions for  
4 the various MedMen Entity Defendants as a member of the executive management team was  
5 reduced. Plaintiff’s ability to supervise and lead was compromised when subordinates learned that  
6 they could go around Plaintiff by aligning themselves with the CEO or President. Then, on or  
7 about September 25, 2018, Plaintiff is informed and believes and upon that basis alleges that CEO  
8 Bierman initiated a formal search for a new CFO under the guise of looking for Chief Information  
9 Officer. Only when confronted face to face by Plaintiff, did CEO Bierman admit he wanted  
10 Plaintiff to take on a new role as “Vice President of Strategy” pursuant to a *re-negotiated* (*i.e.*  
11 reduced benefits) contract. When Plaintiff objected, President Modlin exploited a contrived issue  
12 over Plaintiff’s issuance of “stay bonuses” (again, a modest \$30,000 split among 6 people to  
13 ensure the Company met statutory filing deadlines) and used it as a predicate for a claim of  
14 insubordination to initiate a “plan to improve your performance” based upon “well-documented  
15 deficiencies.” Actually, there were no such well documented deficiencies (Plaintiff never had a  
16 formal negative performance review and his personal file was “clean”) and the plan to improve  
17 performance was nothing more than a roadmap for a trumped-up termination for cause charade.

18 95. In fact, Plaintiff had performed exemplarily all the duties and conditions of his  
19 Letter Agreement required up to that time and the Company knew it. MedMen’s plan ostensibly to  
20 improve performance based upon a trumped up “insubordination claim” was strictly retaliatory, a  
21 smokescreen designed to shift focus away from Bierman’s and Modlin’s own misconduct, and a  
22 contrived first step in a bad faith scheme to circumvent the termination for cause only requirement  
23 of his Letter Agreement. Not only had President Modlin previously used “stay bonuses” to retain  
24 personnel who reported to him (contrary to his contention it was “against MedMen culture”), but  
25 on January 3, 2019, shortly after Parker’s compelled departure, MedMen publicly filed a Material  
26 Change Report (regarding the then imminent PharmaCann acquisition) which specifically detailed  
27 carving out \$4,000,000 for “stay bonuses” for key personnel (dwarfing the \$30,000 Parker had  
28

1 approved for comparable purposes in July 2018) and further exposed the false narrative that “stay  
2 bonuses” were supposedly contrary to MedMen’s culture.

3 96. As a proximate result of all of the MedMen Entity Defendants’ repeated breaches  
4 of the implied covenant of good faith and fair dealing, Plaintiff was denied the benefits to which  
5 he was entitled under his Letter Agreement, and has suffered, and continues to suffer, losses in  
6 earnings and other employment benefits and severance benefits in an amount to be established at  
7 trial. As a further proximate result of MedMen’s breach of the implied covenant of good faith and  
8 fair dealing, Plaintiff has incurred reasonable attorney fees in attempting to secure the benefits  
9 owed to him under his Letter Agreement.

10 **THIRD CAUSE OF ACTION**

11 **(Breach Of Contract - Termination Without Cause)**

12 **(Against all MedMen Entity Defendants)**

13 97. Plaintiff incorporates by reference and realleges Paragraphs 1 through 96, inclusive.

14 98. Plaintiff’s aforementioned Letter Agreement, dated May 18, 2018, also provided as  
15 relevant herein for a specific term of employment: 4 years, plus 1 automatic renewal for an  
16 additional 3 years; and also, provided that throughout the term Plaintiff would retain the title of  
17 CFO and not be demoted. (Ex. A at ¶ 1.)

18 99. Parker expressly incorporates herein all of Parker’s joint employer allegations at ¶¶  
19 13-42. As Parker’s joint employer, all of the MedMen Entity Defendants (other than MM  
20 Enterprises which signed the Letter Agreement), had full knowledge of the terms of the Letter  
21 Agreement, and expressly and repeatedly ratified the Agreement by directing, controlling, and  
22 accepting Parker’s substantial work under the Letter Agreement, and on behalf of *all of the*  
23 MedMen Entity Defendants, as alleged herein. By expressly and repeatedly ratifying the Letter  
24 Agreement with full knowledge of its terms, and readily accepting Parker’s services as his joint  
25 employers pursuant to the Letter Agreement, all of the MedMen Entity Defendants became liable  
26 for breach of the Letter Agreement. *See Bullard v. Wastequip Mfg. Co., LLC* (C.D. Cal. April 14,  
27 2015) 2015WL12766467 \*14; *see also Doe I v. Wal-Mart Stores, Inc.* (9<sup>th</sup> Cir. 2009) 572 F.3d  
28 677, 682 (assuming that joint employer could be sued “directly for breach of any contract”).

1           100. Alternatively, by readily and intentionally accepting and demanding Parker’s  
2 performance under the Letter Agreement, directing Parker’s performance under the Letter  
3 Agreement, and ultimately, constructively terminating Parker’s employment, the MedMen Entity  
4 Defendants—who had full knowledge of the terms of the Letter Agreement—entered into an  
5 implied-in-fact contract under California law to honor the Letter Agreement, and employ Parker  
6 according to its terms. Under the facts as alleged herein, the MedMen Entity Defendants at all  
7 relevant times knew, or should have known, that Parker interpreted their conduct as entering into  
8 an agreement to adhere to the terms of the Letter Agreement in connection with his employment.

9           101. Moreover, the Letter Agreement further provided that if Plaintiff employment was  
10 terminated without “Cause,” Plaintiff would be entitled to severance benefits:

11           **6. Severance.** In the event that your employment is terminated by  
12 the Company involuntarily without Cause:

- 13           a. The Company will provide you with a lump sum payment, to be  
14           paid on the first day of the month following the termination date,  
15           equivalent to three (3) times your then-current Base Salary for the  
16           year of the termination.
- 17           b. The Company will provide you with a lump sum payment, to be  
18           paid on the first day of the month following the termination date,  
19           equivalent to two (2) times your then-current Target Bonus Amount  
20           for the year of the termination.
- 21           c. Any unvested FV LTIPs (or AO LTIPs if granted in a subsequent  
22           agreement) will immediately vest and convert into Common Units  
23           on a one for one (1 to 1) basis on the day prior to the employment  
24           termination date.
- 25           d. Any unvested stock options, restricted stock or other award will  
26           immediately vest on the day prior to the employment termination  
27           date.
- 28           e. The executive protection program referenced in Section 8.d, below,  
will continue to apply, at the expense of the Company, for six (6)  
months following your termination date. For this post severance  
benefit, the maximum amount of the benefit on an annual basis will  
be \_\_\_\_\_ U.S. Dollars (\$ \_\_\_\_\_), with no carryovers  
permitted between years (and no consequential impact between or  
among years), and reimbursements will be paid on a current basis  
(within ninety (90) days of the expense being incurred) and, in any  
case, by the end of the year after the year in which the expense in  
incurred. Notwithstanding Section 12 or any other provision  
contained herein, this benefit cannot be liquidated for cash or  
another benefit or substituted for other rights or benefits.

1 f. The Company will provide you with a lump sum payment, to be  
2 paid on the first day of the month following the termination date, in  
3 the amount of Two Hundred and Fifty Thousand U.S. Dollars  
(\$250,000).

4 For purposes of this Agreement, "Cause" shall mean, as determined  
5 by the Board and unless otherwise provided in an applicable  
6 agreement with the Company, (a) material violation of Company's  
7 policies, including the (disclosure or misuse of confidential  
8 information, or those set forth in manuals or statements of policy  
9 issued by the Company; or (b) serious neglect or misconduct in the  
10 performance of your duties for the Company or willful or repeated  
11 failure or refusal to perform such duties. If Cause is alleged, we will  
provide you with written notice of the Company's position, and you  
will have ninety (90) days from your receipt of that notice to cure  
the Cause allegation situation. The Board will review your cure  
efforts, and the Board will review your cure efforts, and the Board  
will then provide you with a written notice detailing its decision.  
This Section 6 shall not apply in the event that you voluntarily  
terminate your employment or if the Company terminates your  
employment for Cause. (Ex. A. at 2-3)

12 102. Plaintiff has performed all conditions and covenants and promises required on his  
13 part to be performed in accordance with the terms and conditions of the Letter Agreement except  
14 as to those as to which performance has been excused by the MedMen Entity Defendants'  
15 repeated breaches.

16 103. Based upon a combination of facts and circumstances previously alleged herein in  
17 paragraphs 75 and 76 above, including, but not limited to:

18 a. a pervasive and ongoing campaign consisting of words and deeds conducted  
19 by the CEO and President of all the MedMen Entity Defendants to *embarrass, ridicule and*  
20 *humiliate* Plaintiff both on a personal and professional level;

21 b. a steady stripping away of Plaintiff's responsibility contrary to what had  
22 been expressly provided in Plaintiff's Letter Agreement;

23 c. the CEO demanding, in violation of Federal Election Campaign Laws, that  
24 Plaintiff make a non-voluntary donation of \$10,000 to a candidate the CEO had selected, and,  
25 separately, to obscure that the Company's funds were used to purchase furniture for the President  
26 which Plaintiff is informed and believes and upon that basis alleges offset a substantial financial  
27 donation the President had made to a candidate that could not be directly reimbursed by the  
28 Company, which already had reached its legal limits of its campaign donations;

1           d.       subjecting Plaintiff to sham disciplinary procedures disguised to give cover  
2 for a plan to fabricate a “designed to fail plan” by which the MedMen Entity Defendants could  
3 terminate Plaintiff ostensibly for alleged cause;

4           e.       forcing Plaintiff to select between the Hobson’s Choice of either fulfilling  
5 his duty to the various MedMen Entity Defendants, and his fiduciary duty to MedMen’s public  
6 shareholders or accede to the personal and out of control demands from the CEO and President,  
7 and their profligate spending of MedMen funds for their own personal benefit while being accused  
8 of “insubordination” for actions made expressly for the public shareholder’s protection;

9           f.       placing Plaintiff directly at odds with the Chairman of the Board over the  
10 management of the “share overhang” and a closely-held share distribution plan, forcing Plaintiff to  
11 either call out the Chairman of the Board on his conflict of interest, or, given the lack of support  
12 from the CEO and President, to accept an outcome Plaintiff believed was biased against the  
13 shareholding public; and

14           g.       the CEO and President engaging in other improper activities which Plaintiff  
15 is informed and believes and upon that basis alleges placed MedMen in violation of Federal, State  
16 and Local Laws (including, for example, and not by way of limitation, 15 U.S.C. §78i; 18 U.S.C.  
17 §1014, Cal. Penal Code § 67 and §532 a; Cal. Bus. & Prof. Code §26080 and L.A. City Charter,  
18 Art. IV., Sec. 470).

19           104.    The MedMen Entity Defendants either intentionally created or knowingly  
20 permitted working conditions that were so intolerable or aggravated at the time of Plaintiff’s  
21 notice on November 5, 2018 that he would not be returning to work that a reasonable person in  
22 Plaintiff’s position similarly would have been compelled to resign from a position in which he had  
23 been already constructively discharged.

24           105.    As a result of Plaintiff’s constructive discharge and termination without cause in  
25 breach of his Letter Agreement with the Company, Plaintiff has suffered and continues to suffer  
26 losses in future earnings including salary (Ex. A at ¶ 3); bonuses (Ex. A at ¶ 4); equity grants (Ex.  
27 A at ¶ 5); other employment benefits (including but not limited to Ex. A at ¶ 8) and ¶ 10); his  
28 Severance Benefits (Ex. A at ¶ 6), unpaid salary due at the time of separation from the Company,

1 and a diminution in value of MedMen Enterprises, Inc. publicly traded stock held by Plaintiff, all  
2 to his damage in an amount to the established a trial. Plaintiff also has incurred reasonable  
3 attorney fees in attempting to secure the benefits owed to him under his Letter Agreement.

4 **FOURTH CAUSE OF ACTION**

5 **(Breach of Contract - Refusal To Pay Legal Fees and Expenses)**

6 **(Against all MedMen Entity Defendants)**

7 106. Plaintiff incorporates by reference and realleges Paragraphs 1 through 105,  
8 inclusive.

9 107. Plaintiff’s aforementioned Letter Agreement dated May 18, 2018 (Ex. A), also  
10 provided for a dispute resolution provision whereby the Company agreed to pay Plaintiff’s “legal  
11 fees, in the event that any dispute arises related to this Agreement, including if the dispute  
12 involves the Company, all of [Plaintiff’s] legal fees will be paid by the Company regardless of the  
13 outcome of the dispute for a lifetime. In that case, the maximum amount of the benefit on an  
14 annual basis will be Five Hundred Thousand U.S. Dollars (\$500,000), . . . and reimbursements  
15 will be paid on a current basis (within ninety (90) days of the expense being incurred), and in any  
16 case, by the end of the year after the year in which the expense is incurred.” (Ex. A, ¶ 12.)

17 108. Parker expressly incorporates herein all of Parker’s joint employer allegations at ¶¶  
18 13-42. As Parker’s joint employer, all of the MedMen Entity Defendants (other than MM  
19 Enterprises which signed the Letter Agreement), had full knowledge of the terms of the Letter  
20 Agreement, and expressly and repeatedly ratified the Agreement by directing, controlling, and  
21 accepting Parker’s substantial work under the Letter Agreement, and on behalf of *all of the*  
22 MedMen Entity Defendants, as alleged herein. By expressly and repeatedly ratifying the Letter  
23 Agreement with full knowledge of its terms, and readily accepting Parker’s services as his joint  
24 employers pursuant to the Letter Agreement, all of the MedMen Entity Defendants became liable  
25 for breach of the Letter Agreement. *See Bullard v. Wastequip Mfg. Co., LLC* (C.D. Cal. April 14,  
26 2015) 2015WL12766467 \*14; *see also Doe I v. Wal-Mart Stores, Inc.* (9<sup>th</sup> Cir. 2009) 572 F.3d  
27 677, 682 (assuming that joint employer could be sued “directly for breach of any contract”).  
28



1 and Modlin to be the Company's first CFO. At that point in time, Bierman and Modlin perceived  
2 that they needed Plaintiff as he was the architect of the effort to take MedMen public in Canada.

3 115. During the discussion over the financial terms of his February 2018 employment  
4 agreement (which took place in a number of in-person discussions in January/February 2018),  
5 both Bierman and Modlin made a number of material representations to Plaintiff, including that  
6 that the various MedMen Entity Defendants were committed to giving Plaintiff the responsibility  
7 he needed to carry out his fiduciary duties as the CFO of a public Company, and that Plaintiff was  
8 protected from termination without cause by the severance provision contained in the Agreement.

9 116. These financial provisions and representations by Bierman and Modlin, which they  
10 made as the CEO and President of all of the MedMen Entity Defendants, were critical to  
11 Plaintiff's decision to enter into his employment agreement. He fully understood that as the CFO  
12 of a public Company, he would owe fiduciary duties to MedMen's shareholders and needed the  
13 necessary responsibility to allow him to meet those obligations. Additionally, Plaintiff believed  
14 that if MedMen successfully went public in Canada, there was a meaningful chance that it would  
15 be acquired or sold and that he could be terminated. As such, it was *critical* to Plaintiff that he be  
16 financially protected in his employment agreement if he were to be terminated without cause.

17 117. Although Plaintiff entered into a written employment agreement in February 2018,  
18 in or around early-May 2018, the Company's General Counsel, Lisa Sergi Trager, informed  
19 Plaintiff that he would have to enter into a new employment agreement prior to MedMen going  
20 public in Canada. According to Sergi Trager, these new employment agreements were needed to  
21 modify certain equity grants in the new publicly traded entity, and to satisfy Canadian law.

22 118. At the time MedMen requested that Parker enter into the new Letter Agreement in  
23 mid-May 2018, Bierman and Modlin understood that they absolutely needed Parker to  
24 successfully take MedMen public in late-May 2018, but had *already* decided that they did not  
25 want him to stay at MedMen thereafter. Parker had been the architect of the go-public effort, and  
26 he was the only executive at MedMen that was qualified to finalize these efforts. Moreover, it was  
27 also essential to Bierman and Modlin that MedMen go public by *no later* than late-May 2018 for  
28 various reasons, including that the Company was running out of funds. It was against this

1 backdrop, that Bierman and Modlin, acting on behalf of all of the named MedMen Entity  
2 Defendants, fraudulently induced Parker to enter into the Letter Agreement, *without any intent* of  
3 performing under its terms once the goal of taking MedMen public was achieved.

4 **Bierman’s And Modlin’s Fraudulent Promises Made**  
5 **Without The Intent To Perform**

6 119. Under California Civil Code § 1710(4), actionable “deceit” includes “[a] promise,  
7 made without any intention of performing it.” California case law clearly recognizes claims for  
8 promissory fraud as independent causes of action, even where a breach of contract claim has also  
9 been asserted. *See Tenzer v. Superscope, Inc.* (1985) 39 Cal.3d 18, 30; *Tarmann v. State Farm*  
10 *Mut. Auto Ins. Co.* (1991) 2 Cal.App.4th 153, 158-159. The rule is no different in employment  
11 cases. *See Lazar v. Superior Court* (1996) 12 Cal. 4th 631, 645; *Moncada v. West Coast Quartz*  
12 *Corporation* (2013) 221 Cal.App.4th 768, 776-78.

13 120. Over an approximately 2-week period in May 2018, and pursuant to specific oral  
14 discussions that Plaintiff had with Bierman and Modlin acting on behalf of all of the MedMen  
15 Entity Defendants, it was agreed that Plaintiff’s new Letter Agreement was to give Plaintiff the  
16 same job responsibilities as the earlier February 2018 employment agreement, and the same basic  
17 financial terms and severance provisions. Again, these provisions were *critical* to Plaintiff for the  
18 reasons stated above, and Bierman and Modlin were fully aware of the importance of the  
19 provisions to Plaintiff.

20 121. Additionally, the Letter Agreement was signed approximately *3 months after*  
21 Parker had become the CFO of the various MedMen Entity Defendants, and at a time when he had  
22 already experienced some friction with Bierman’s and Modlin’s management style, and glimpsed  
23 their indifference to the fiduciary duties they owed MedMen. As such, the oral representations and  
24 assurances that Bierman and Modlin gave to Parker during the first 2 weeks of May 2018, and  
25 during numerous in-person communications at MedMen’s headquarters in Culver City, California,  
26 were *critical* to inducing Parker to sign the Letter Agreement.

27 122. These representations and promises by Bierman and Modlin, which took place at  
28 MedMen’s headquarters in Culver City, California over the first 2 weeks of May 2018, included

1 that (a) Plaintiff would continue to have the same job responsibilities as he had under the earlier  
2 February 2018 employment agreement as it related to all of the MedMen Entity Defendants;  
3 (b) Plaintiff would continue to have the same basic financial terms and severance provisions under  
4 the Letter Agreement, which gave Plaintiff lucrative severance benefits if he was terminated  
5 without cause; and (c) that MedMen’s Chairman of the Board, Ben Rose, had been fully informed  
6 regarding the financial provisions of the Letter Agreement.

7 123. Bierman’s and Modlin’s representation that they had fully informed Ben Rose  
8 regarding the terms of the Letter Agreement was particularly *critical* to Plaintiff because pursuant  
9 to the Letter Agreement, the CEO *and* the Board were to approve certain financial terms relating  
10 to the automatic renewal of the Letter Agreement for a second term. (Ex. A, ¶ 1.) *This was a false*  
11 *factual representation made by Bierman and Modlin on behalf of all the MedMen Entity*  
12 *Defendants that went beyond any of the promises contained in the Letter Agreement.*

13 124. Related to the above, it was also important to Parker that on a going forward basis,  
14 he report only to CEO Bierman. Pursuant to communications with General Counsel Sergi Trager  
15 during this same 2-week period in May 2018, it was agreed that under the Letter Agreement,  
16 Plaintiff in his role as CFO of all of the various MedMen Entity Defendants was to report *only* to  
17 Bierman as opposed to Bierman and Modlin. This was also a *critical provision* to Parker as he had  
18 already had conflict with Modlin, and wanted to report only to CEO Bierman. Parker felt strongly  
19 that in any company—let alone a public company—the CFO should report *directly* to the CEO.

20 125. On or about May 18, 2018, and as direct and proximate result of Defendant’s false  
21 promises and representations as alleged herein, Plaintiff signed the Letter Agreement (Ex. A).  
22 Without Bierman’s and Modlin’s repeated assurances during this 2-week period in early-to-mid  
23 May 2018 regarding the above, and MedMen’s agreement that Parker would report directly to  
24 CEO Bierman, Parker would *not* have signed the Letter Agreement. Bierman’s and Modlin’s  
25 various false representations and promises as alleged herein were all made with the specific intent  
26 of inducing Plaintiff to enter into the Letter Agreement.

27  
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1            **Parker Relied On Bierman’s And Modlin’s False Promises In Entering Into The Letter**  
2            **Agreement, And Remaining At MedMen For Approximately 6 Months**

3            126. Plaintiff reasonably relied on Bierman’s and Modlin’s false promises—which were  
4 made on behalf of all of the named MedMen Entity Defendants—in entering into the Letter  
5 Agreement, completing the enormous effort of taking MedMen public in Canada, and in  
6 remaining at MedMen for approximately 6 months thereafter. This was *no easy* task.

7            127. Not only did Plaintiff work around the clock in Canada—and away for his wife and  
8 young child—during the last 2 weeks of May 2018 to take MedMen public, he then remained at  
9 MedMen for an additional approximately 6 months suffering in an egregious and toxic work  
10 environment where CEO Bierman and President Modlin were on a mission to *abuse, humiliate*  
11 *and marginalize* Parker to such a great extent that he would be coerced into resigning as CFO of  
12 the MedMen Entity Defendants.

13            128. Had Plaintiff known that Bierman and Modlin had no intent of allowing MedMen  
14 to perform under the Letter Agreement, and that they had falsely represented they had discussed  
15 his compensation package with MedMen’s Chairman, Plaintiff would *never* have entered into the  
16 Letter Agreement, worked tirelessly to complete the efforts to take MedMen public in Canada, or  
17 remained the CFO of the MedMen Entity Defendants for an additional 6 months under the horrific  
18 circumstances deliberately contrived and orchestrated by Bierman and Modlin.

19            129. Had Plaintiff known that Bierman’s and Modlin’s promises and representations  
20 were false and fraudulent when made, and that MedMen had no intent to comply with the terms of  
21 the Letter Agreement, Plaintiff would have refused to enter into the Letter Agreement, and would  
22 have left MedMen before the go-public efforts were complete. Certainly, if Plaintiff had known  
23 the truth regarding Bierman’s and Modlin’s motivations and fraudulent intent, he would *not* have  
24 continued to work tirelessly as CFO of the MedMen Entity Defendants for an additional 6 months.

25            130. Defendants’ promises as alleged herein were false and fraudulent when made, and  
26 specifically designed to induce Plaintiff to enter into the Letter Agreement. It is now clear based  
27 on Bierman’s and Modlin’s actions and conduct just *after* entering into the Letter Agreement, that  
28 they *never had any* intent of permitting the MedMen Entity Defendants to perform under the

1 Letter Agreement. As the California Supreme Court has recognized, “fraudulent intent must often  
2 be established by circumstantial evidence.” *Tenzer v. Superscope, Inc.* (1985) 39 Cal.3d 18, 30.  
3 Such “fraudulent intent has been inferred from such circumstances as defendant’s . . . *hasty*  
4 *repudiation* of the promise [and] his failure even to attempt performance.” *Id.* This is precisely  
5 what Parker has alleged in detail below.

6 **Bierman’s and Modlin’s Immediate Repudiation Of The Letter Agreement,**  
7 **And Their Failure To Even Attempt Performance**

8 131. After the Letter Agreement was signed on *May 18, 2018*, and MedMen went public  
9 in Canada in *late-May 2018*, Bierman and Modlin, who were acting on behalf of all of the various  
10 MedMen Entity Defendants, *almost immediately* repudiated the Letter Agreement by reneging on  
11 key provisions in the Agreement. This started with an almost immediate rolling demotion of  
12 Plaintiff’s job responsibilities as CFO of all the various MedMen Entity Defendants in clear  
13 violation of the Letter Agreement, which Bierman had just signed on behalf of the Company.

14 132. By way of just a few examples, just after going public in *late-May 2018*, and just a  
15 few weeks *after* the Letter Agreement was signed, MedMen through its most senior executives,  
16 Bierman and Modlin, immediately repudiated a number of its contractual agreements with  
17 Plaintiff, including without limitation, by:

18 a. making zero effort to have Plaintiff report directly to the CEO Bierman and  
19 keeping Plaintiff reporting primarily to President Modlin in connection with all of the work that  
20 Bierman did as CFO of the various MedMen Entity Defendants;

21 b. hiring outside public relations firm Edelman to handle investor relations  
22 with respect to all of the MedMen Entity Defendants, which was supposed to be under Plaintiff’s  
23 purview and having a marketing employee work with Edelman as opposed to Plaintiff;

24 c. excluding Plaintiff from a number of capital raising activities on behalf of  
25 the various MedMen Entity Defendants, which were supposed to be part of Plaintiff’s job  
26 responsibilities under the Letter Agreement;

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1 d. limiting Plaintiff’s participation in executive team meetings and decisions  
2 relating to all of the various MedMen Entity Defendants, and completely marginalizing his role on  
3 the senior executive team in direct contravention to the Letter Agreement;

4 e. informing various employees that they did not have to go through Plaintiff  
5 to get various Company expenses approved for all of the various MedMen Entity Defendants,  
6 which also clearly stripped Plaintiff of authority under the Letter Agreement;

7 f. deciding unbeknownst to Plaintiff (and while actively deceiving Plaintiff)  
8 that he was being replaced as the CFO of the various MedMen Entity Defendants; and

9 g. excluding Plaintiff from any role in, and/or meaningful knowledge of, the  
10 negotiations for and acquisition of PharmaCann, which was the largest financial transaction that  
11 the Company had ever entered into, and which Plaintiff was entitled to oversee as part of the  
12 Letter Agreement.

13 133. Moreover, Chairman of the Board Ben Rose’s *very negative reaction* to the  
14 executive compensation listed in the Company’s public prospectus filed in late-May 2018,  
15 established that Bierman and Modlin had obviously *never* discussed the financial terms of the  
16 Letter Agreement with Mr. Rose as they had falsely represented to Plaintiff. Again, *this was a*  
17 *false factual representation made by Bierman and Modlin that went beyond any of the promises*  
18 *contained in the Letter Agreement.*

19 134. In addition to the above, Bierman’s and Modlin’s highly secretive and malicious  
20 conduct in acting behind Plaintiff’s back to engage in a secret search for a new CFO (as alleged in  
21 detail at ¶¶ 65-67 *supra*), and their transparent effort to manufacture cause for Plaintiff’s  
22 termination (as alleged in detail in ¶¶ 69-70 *supra*) is *compelling evidence* that MedMen *never*  
23 attempted to perform under the severance provisions of the Letter Agreement.

24 135. As early as August 2019—just *10 weeks* after the Letter Agreement was signed—  
25 President Modlin was advising his then-boyfriend that Parker would soon be gone from MedMen.  
26 This was *3 months before* President Modlin identified any supposed problem with Plaintiff’s  
27 performance. Moreover, when President Modlin sought to put Plaintiff on a “performance plan” in  
28 early-November 2019, MedMen had *already paid* \$50,000 to an executive search firm to find a

1 new CFO, and was interviewing candidates to replace Parker. MedMen’s Board—which was  
2 supposed to determine “cause” to terminate Parker under the Letter Agreement—was also entirely  
3 unaware of MedMen’s retention of a search firm to replace Parker, and the performance plan that  
4 Modlin was pretextually creating for Parker.

5 136. Clearly, Bierman’s and Modlin’s immediate repudiation of key terms of the Letter  
6 Agreement, and their failure to make any effort to perform under the severance provisions of the  
7 Letter Agreement, evidence their promissory fraud for which they may be personally liable.  
8 *See Joanaco Projects, Inc. v. Nixon & Tierney Const. Co.* (1967) 248 Cal.App.2d 821, 833  
9 (“Every person connected with a fraud is liable for the full amount of the damages.  
10 Thus, individuals who are parties to the consummation of a fraud are equally responsible with the  
11 person with whom a contract induced by the fraud is made.”)

12 137. Additionally, Ben Rose’s *very negative reaction* to the executive compensation  
13 listed in the Company’s public prospectus filed in late-May 2018, is strong evidence that Bierman  
14 and Modlin had *never* discussed the financial terms of the Letter Agreement with the Chairman of  
15 the Board, Ben Rose, as they had falsely represented to Plaintiff.

16 138. Bierman and Modlin needed Parker to complete MedMen’s go-public effort, and  
17 therefore, fraudulently induced Parker to enter into the Letter Agreement. They obviously assumed  
18 they could terminate Parker thereafter without severance by either trumping up cause to terminate  
19 him, and/or coercing him to “voluntarily” leaving MedMen as a result of their outrageous conduct.

20 **Parker Was Substantially Damaged By Bierman’s and Modlin’s**  
21 **Fraudulent Promises And Representations**

22 139. Bierman’s and Modlin’s fraudulent conduct as alleged herein proximately caused  
23 Plaintiff to incur substantial damages in an amount to be proved at trial, but well in excess of the  
24 jurisdictional limit of this Court.

25 **Parker’s Damages As Against Bierman And Modlin Individually**

26 140. As a direct result of Bierman’s and Modlin’s fraud as alleged herein, Plaintiff lost  
27 the benefit of his bargain under the Letter Agreement, and has been damaged in an amount to be  
28 proved at trial, but which is well in excess of the jurisdiction limit of this Court. Because Plaintiff

1 has *not* alleged any other claims against Bierman and Modlin individually, Plaintiff’s promissory  
2 fraud claim directly against Bierman and Modlin adds an entirely new theory to the Complaint,  
3 and is not duplicative of any other claims as it relates to them. *See Joanaco Projects, Inc. v. Nixon*  
4 *& Tierney Const. Co.* (1967) 248 Cal.App.2d 821, 833 (“Every person connected with a fraud is  
5 liable for the full amount of the damages.”)

6 141. In addition to the above “benefit of the bargain” damages, and as a direct result of  
7 Bierman’s and Modlin’s fraud as alleged herein, Parker has also suffered *serious additional tort*  
8 *damages*, which are independently in excess of the Court’s jurisdictional limit, in the form of:

9 a. substantial emotional distress that Plaintiff experienced during the 6-month  
10 period that he remained at MedMen after the Letter Agreement was signed and when Bierman and  
11 Modlin were actively trying to drive him out of the Company. This emotional distress consisted of  
12 significant anxiety, stress, and depression that was proximately caused by, and would not have  
13 occurred but for, Bierman’s and Modlin’s fraudulent representations inducing Plaintiff to enter  
14 into the Letter Agreement and remain as CFO of the MedMen Entity Defendants;

15 b. lost additional compensation for the *countless overtime hours* Plaintiff  
16 spent working and traveling to complete the go-public efforts in Canada and to successfully  
17 complete MedMen’s first public audit and earnings call by October 2018, which efforts were *well*  
18 *beyond* what was required of him as the CFO of the MedMen Entity Defendants;

19 c. lost compensation and benefits that Plaintiff would have received in  
20 connection with the other business opportunities he would have pursued but for Bierman’s and  
21 Modlin’s fraudulent promises and representations which induced Plaintiff to enter into the Letter  
22 Agreement, and to remain as the CFO of the MedMen Entity Defendants for an additional 6  
23 months; and

24 d. the serious professional and reputational damage that Plaintiff suffered after  
25 being touted as the CFO that took MedMen public in a historic and high-profile transaction, and  
26 then shortly thereafter, being perceived both internally at MedMen, and externally in the cannabis  
27 industry, as having been run out of the Company by Bierman and Modlin.

28

1 142. Finally, because the conduct and actions of Bierman and Modlin as described  
2 herein were fraudulent, willful, wanton, intentional, oppressive, and malicious, Plaintiff is entitled  
3 to punitive damages against Bierman and Modlin in an amount to be proven at trial.

4 **Parker’s Damages Against The MedMen Entity Defendants**

5 143. Plaintiff also seeks benefit of the bargain damages pursuant to his promissory fraud  
6 claim against all of the MedMen Entity Defendants, on an alternative legal theory, and in the  
7 unlikely event that Defendants succeed on their claim that the Letter Agreement is supposedly  
8 unenforceable. Benefit of the bargain damages are available in connection with a promissory fraud  
9 claim to the extent that the underlying Letter Agreement is found unenforceable. *See Lazar v.*  
10 *Superior Court* (1996) 12 Cal.4th 631, 638 (noting that a plaintiff’s claim for promissory fraud  
11 “does not depend upon whether the defendant’s promise is ultimately enforceable as a contract”).

12 144. In addition to the above benefit of the bargain damages, and as a direct result of the  
13 MedMen Entity Defendants’ fraud as alleged herein, Parker has also suffered *serious additional*  
14 *tort damages*, which are independently in excess of the Court’s jurisdictional limit, in the form of:

15 a. substantial emotional distress that Plaintiff experienced during the 6-month  
16 period that he remained at MedMen after the Letter Agreement was signed and when Bierman and  
17 Modlin were actively trying to drive him out of the Company. This emotional distress consisted of  
18 significant anxiety, stress, and depression that was proximately caused by, and would not have  
19 occurred but for, Bierman’s and Modlin’s fraudulent representations inducing Plaintiff to enter  
20 into the Letter Agreement and remain as CFO of the MedMen Entity Defendants;

21 b. lost additional compensation for the *countless overtime hours* Plaintiff  
22 spent working and traveling to complete the go-public efforts in Canada and to successfully  
23 complete MedMen’s first public audit and earnings call by October 2018, which efforts were *well*  
24 *beyond* what was required of him as the CFO of the MedMen Entity Defendants;

25 c. lost compensation and benefits that Plaintiff would have received in  
26 connection with the other business opportunities he would have pursued but for Bierman’s and  
27 Modlin’s fraudulent promises and representations which induced Plaintiff to enter into the Letter  
28

1 Agreement, and to remain as the CFO of the MedMen Entity Defendants for an additional 6  
2 months; and

3 d. the serious professional and reputational damage that Plaintiff suffered after  
4 being touted as the CFO that took MedMen public in a historic and high-profile transaction, and  
5 then shortly thereafter, being perceived both internally at MedMen, and externally in the cannabis  
6 industry, as having been run out of the Company by Bierman and Modlin.

7 145. Finally, because the conduct and actions of Bierman and Modlin, which were  
8 undertaken on behalf of all of the MedMen Entity Defendants, as described herein were  
9 fraudulent, willful, wanton, intentional, oppressive, and malicious, it thereby entitles Plaintiff to  
10 punitive damages as against all of the MedMen Entity Defendants in an amount to be proven at  
11 trial.

12 **SIXTH CAUSE OF ACTION**

13 **(For Retaliation Against Plaintiff Under FEHA)**

14 **(Against all MedMen Entity Defendants and Does 1 through 25)**

15 146. Plaintiff incorporates by reference and realleges Paragraphs 1 through 145,  
16 inclusive, including specifically the joint employer allegations at ¶¶ 13-42.

17 147. As detailed herein, all of the MedMen Entity Defendants subjected Plaintiff to  
18 retaliation and adverse employment action for complaining about working conditions where he  
19 was forced to endure repeated discriminatory remarks against people of protected classes, based  
20 on their ethnicity, gender, sexual orientation, age, and disability. On a number of occasions,  
21 Plaintiff complained to CEO Bierman and President Modlin (as well as General Counsel Sergi  
22 Trager) that it was inappropriate, offensive and potentially subjected the Company to liability for  
23 Bierman to refer to fellow employees or job candidates as “cunts,” and/or “retarded.”

24 148. Plaintiff also objected to following Bierman’s instruction to confront a male  
25 employee who Bierman believed was late for work because he was “up in his hotel room fisting  
26 his boyfriend,” and to “go up to his room, take his fist out of his boyfriend’s ass, and tell him to  
27 get to work.” Plaintiff also told Bierman that it was highly inappropriate and unacceptable for  
28 Bierman to refer to various public representatives that were important to the Company’s success as

1 a “midget negro,” and a “fat black lesbian.” And he specifically told Bierman that it was not  
2 acceptable for him to openly refer to cannabis social equity programs as “reparations.” Plaintiff  
3 also objected to Bierman, Modlin, and Sergi-Trager regarding Bierman’s and Modlin’s repeated  
4 and open mocking of Plaintiff based on his weight, age, clothes, and for calling him derogatory  
5 and misogynistic terms such as “pussy,” and “pussy bitch.”

6 149. When Plaintiff complained to the MedMen Entity Defendants regarding the above  
7 conduct of their most senior executives—all of which Plaintiff reasonably believed was  
8 unlawful—all of the MedMen Entity Defendants retaliated against Plaintiff and engaged in  
9 adverse employment action by, *inter alia*:

- 10 a. stripping Plaintiff of numerous job responsibilities as the CFO of all the  
11 MedMen Entity Defendants as alleged herein;
- 12 b. excluding Plaintiff from various senior management meetings relating to the  
13 business and operations of all of the MedMen Entity Defendants;
- 14 c. attempting to move Parker, who was the CFO of all the MedMen Entity  
15 Defendants, to a satellite office outside of main headquarters (where the other senior executives  
16 were located); and
- 17 d. ultimately, constructively discharging Plaintiff as CFO of all of the  
18 MedMen Entity Defendants by creating a work environment that was so intimidating, hostile,  
19 abusive and offensive that a reasonable person in Plaintiff’s position would have no reasonable  
20 alternative but to leave under protest.

21 150. All of the MedMen Entity Defendants engaged in the above-described adverse  
22 employment action as a direct and proximate result of Plaintiff’s complaints regarding Bierman’s  
23 and Modlin’s unlawful and discriminatory conduct as described herein. Indeed, the temporal  
24 proximity between Plaintiff’s initial complaints and MedMen’s adverse employment action is  
25 *quite telling*. It was just *weeks after* Plaintiff initially began complaining to Bierman and Modlin  
26 regarding their language and conduct as described herein, that Bierman and Modlin fraudulently  
27 induced Plaintiff to enter into the Letter Agreement, and then began systematically rolling back his  
28 responsibilities as CFO of the MedMen Entity Defendants.

1           151. From there, things only got worse. As Plaintiff continued to have multiple  
2 confrontations with Bierman and Modlin regarding their discriminatory and offensive statements  
3 over the Summer 2018, Bierman and Modlin did everything in their power to try and coerce  
4 Plaintiff's resignation. The MedMen Entity Defendants were not free to fire Plaintiff without  
5 cause and without paying him lucrative severance benefits under the Letter Agreement.  
6 Accordingly, Bierman and Modlin engaged in well-orchestrated campaign to make Parker's life so  
7 miserable and intolerable that he would be coerced into resigning as the CFO of the MedMen  
8 Entity Defendants.

9           152. As alleged above, there was *no distinction* between or among the acts that Bierman  
10 and Modlin engaged in, or on behalf of, any particular MedMen Entity Defendant. For example,  
11 when Bierman and Modlin used the racist, sexist, and homophobic language described herein,  
12 they were acting in their capacity as the CEO and President of *all* the MedMen Entity Defendants.  
13 Moreover, when Bierman and Modlin retaliated against Plaintiff as described herein, they  
14 specifically interfered with Parker's responsibilities as they related to *all* of the MedMen Entity  
15 Defendants.

16           153. Plaintiff has exhausted his administrative remedies and received a right to sue letter  
17 from the Department of Fair Employment and Housing.

18           154. The MedMen Entity Defendants' conduct was a substantial factor and proximate  
19 cause of Plaintiff's past and present harm, including but not limited to, general and special  
20 damages, lost earnings, salary, bonuses, equity grants and other employment benefits, severance  
21 benefits, and emotional distress, all to his damages in an amount to be established at trial. Plaintiff  
22 also has incurred reasonable attorney fees in attempting to secure the benefits owed to him under  
23 his employment agreement.

24           155. In committing the acts alleged herein, all of the MedMen Entity Defendants  
25 through their most senior executives, Bierman and Modlin, acted with a willful and conscious  
26 disregard for Plaintiff's rights, so as to constitute oppression, fraud or malice under the law.  
27 Accordingly, Plaintiff is entitled to recover punitive damages in an amount sufficient to punish all  
28

1 of the MedMen Entity Defendants, and to deter similar conduct in the future. Plaintiff is also  
2 entitled to statutory attorneys’ fees under this claim.

3 **SEVENTH CAUSE OF ACTION**

4 **(For Retaliation Against Plaintiff Under Labor Code § 1102.5)**

5 **(Against all MedMen Entity Defendants and Does 1 through 25)**

6 156. Plaintiff incorporates by reference and realleges Paragraphs 1 through 155,  
7 inclusive, including specifically the joint employer allegations at ¶¶ 13-42.

8 157. Pursuant to California Labor Code § 1102.5(b) “[a]n employer, or any person  
9 acting on behalf of the employer, shall not retaliate against any employee for disclosing  
10 information . . . to a person with authority over the employee or another employee who has the  
11 authority to investigate, discover, or correct the violation or noncompliance, . . . if the employee  
12 has reasonable cause to believe that the information discloses a violation of state or federal statute,  
13 or a violation of or noncompliance with local, state, or federal rule or regulation . . . .”

14 158. Pursuant to California Labor Code § 1102.5(c), “[a]n employer, or any person  
15 acting on behalf of the employer, shall not retaliate against an employee for refusing to participate  
16 in an activity that would result in a violation of state or federal statute, or a violation of or  
17 noncompliance with a local, state, or federal rule or regulation.”

18 159. As detailed herein, all of the MedMen Entity Defendants subjected Plaintiff to  
19 retaliation and adverse employment action for reporting, complaining about, or otherwise  
20 objecting to a myriad of unlawful conduct on the part of CEO Bierman and President Modlin, and  
21 often refusing to engage in such illegal conduct. Plaintiff reported, complained, and/or objected to  
22 both Bierman and Modlin, and in many instances, to General Counsel, Lisa Sergi Trager,  
23 regarding *inter alia* the following:

24 a. permitting the MedMen Entity Defendants which owned the retail  
25 dispensaries to accept credit cards without disclosing to the Company’s shareholders that such  
26 transactions could be considered to violate Federal wire fraud laws (*e.g.*, 18 U.S.C. § 1343).  
27 Plaintiff refused to engage in this conduct without fully disclosing it to shareholders in public  
28 filings in compliance with applicable laws and regulations, including the Ontario Securities Act

1 (e.g., sections 56, 57, 75, 126.2, 134); the British Columbia Securities Act (e.g., Sections 57, 63,  
2 85, 132, 132.1, 140.3); U.S. securities regulations (e.g., 17 C.F.R. § 240.10b-5); and the wire fraud  
3 statute (18 U.S.C. § 1343);

4           b.           ordering Plaintiff to wire hundreds of thousands of public dollars to a  
5 “consultant” in Canada to “buy up our stock when it is under attack,” which was potentially  
6 violative of relevant securities laws and other statutes, including the Securities Act (e.g., 15 U.S.C.  
7 § 78(i-j); 15 U.S.C. § 78r), SEC regulations (e.g., 17 C.F.R. § 240.10b-5), the wire fraud statute  
8 (18 U.S.C. § 1343), the Ontario Securities Act (e.g., Sections 126.1 and 126.2); and the British  
9 Columbia Securities Act (e.g., Section 57). Plaintiff repeatedly asked for the trading report and  
10 what exactly happened to the stock that was purchased, was provided nothing, and told simply this  
11 was the way things operated in Canada. When Plaintiff complained to the General Counsel about  
12 the unlawful transaction, he was essentially told to mind his own business as “this is Adam’s  
13 deal”;

14           c.           ordering Plaintiff to pay on behalf of all of the MedMen Entity Defendants  
15 success fees prohibited under the law to unlicensed broker dealers for various fundraising efforts,  
16 under the semblance of “consulting agreements.” Plaintiff questioned the legality of these  
17 payments under applicable statutes and regulations, such as the Securities Exchange Act (e.g., 15  
18 U.S.C. §§ 78o, 78t, 78cc), and discussed same with Bierman, Modlin and Lisa Sergi Trager;

19           d.           the CEO and President initially refused to retract a materially incorrect  
20 press release regarding a real estate transaction in violation of applicable disclosure requirements  
21 and other laws, such as the Ontario Securities Act (e.g., sections 56, 57, 75, 126.2, 134); the  
22 British Columbia Securities Act (e.g., Sections 57, 63, 85, 132, 132.1, 140.3); U.S. securities  
23 regulations (e.g., 17 C.F.R. § 240.10b-5); and the wire fraud statute (18 U.S.C. § 1343). Plaintiff  
24 forced them to do so by demanding that the correction be included in the annual Management  
25 Discussion & Analysis subsequent event section. Plaintiff threatened that if it were not corrected,  
26 he would make the necessary public disclosure as described above;

27           e.           the CEO and President not being fully transparent with the public about  
28 non-arm’s length deals with numerous related parties (including PharmaCann and Captor Capital)

1 in violation of security laws, such as the Ontario Securities Act (*e.g.*, sections 56, 57, 75, 126.2,  
2 134); the British Columbia Securities Act (*e.g.*, Sections 57, 63, 85, 132, 132.1, 140.3); U.S.  
3 securities regulations (*e.g.*, 17 C.F.R. § 240.10b-5); and the wire fraud statute (18 U.S.C. § 1343).  
4 In addition to complaining to Bierman and Modlin, Plaintiff also raised this issue with General  
5 Counsel, Lisa Sergi Trager;

6 f. compelling Plaintiff to make political contributions personally because the  
7 Company had maxed out its legal donations and the CEO had promised additional donations to a  
8 candidate in Nevada and being required (prior to going public) to directly pay (with the  
9 Company’s funds) for a personal furniture purchase for the President, which Plaintiff is informed  
10 and believes and upon that basis alleges, was to offset a large donation the President had made, but  
11 which could not be directly reimbursed by the Company who had met its contribution limit.  
12 Plaintiff made Bierman, Modlin and General Counsel, Lisa Sergi Trager, aware of this issue and  
13 the potential violations of campaign finance laws, such as the Federal Election Campaign Act (52  
14 U.S.C. § 30101 *et seq.*, including §§ 30116 and 30122, among others) and Nevada’s campaign  
15 finance laws (N.R.S. Chapter 294A, including N.R.S. 294A.100 and 294A.112, among others);

16 g. CEO Bierman advising Plaintiff that he and President Modlin were going to  
17 falsify a personal brokerage statement to qualify Bierman for a home mortgage in violation of  
18 various federal statutes (*e.g.*, 18 U.S.C. §§ 1014, 1028, 1343, 1344, 371) and California’s  
19 mortgage fraud statute (Cal. Penal Code § 532f). Plaintiff confronted both Bierman and Modlin  
20 regarding the issue and told them this should not be done as they were CEO and President of all  
21 the MedMen Entity Defendants, many of which had “clean record” requirements as they owned  
22 cannabis licenses;

23 h. protesting the timing of the Company’s calculation of the carry for the  
24 private equity investment that was clearly being done to maximize the personal gain of CEO  
25 Bierman, President Modlin, and Chairman of the Board Ben Rose in potential violation of  
26 California’s fraud statute (Pen. Code § 484); and

27 i. inquiring with President Modlin whether the Company’s Nevada cultivation  
28 facility, which is owned by Defendant MMNV2 Holdings I, LLC , had been stocked with mother

1 plants in a compliant and legal manner and not in violation of the CSA (*e.g.*, 21 USC § 841). He  
2 assured him that it had been.

3 160. Pursuant to California Labor Code § 1102.5(b) “[a]n employer, or any person  
4 acting on behalf of the employer, shall not retaliate against any employee for disclosing  
5 information . . . to a person with authority over the employee or another employee who has the  
6 authority to investigate, discover, or correct the violation or noncompliance, . . . if the employee  
7 has reasonable cause to believe that the information discloses a violation of state or federal statute,  
8 or a violation of or noncompliance with local, state, or federal rule or regulation . . . .”

9 161. Pursuant to California Labor Code § 1102.5(c), “[a]n employer, or any person  
10 acting on behalf of the employer, shall not retaliate against an employee for refusing to participate  
11 in an activity that would result in a violation of state or federal statute, or a violation of or  
12 noncompliance with a local, state, or federal rule or regulation.”

13 162. As detailed herein, the MedMen Entity Defendants subjected Plaintiff to  
14 retaliation and adverse employment action for complaining about a myriad of unlawful conduct on  
15 the part of CEO Bierman and President Modlin, and often refusing to engage in such illegal  
16 conduct. Plaintiff complained to both Bierman and Modlin, and in many instances, to General  
17 Counsel, Lisa Sergi Trager, regarding *inter alia* the following:

18 a. permitting the Company to accept credit cards without disclosing to the  
19 Company’s shareholders that such transactions could be considered to violate Federal wire fraud  
20 laws. Plaintiff refused to engage in this conduct without fully disclosing it to shareholders in  
21 public filings;

22 b. ordering Plaintiff to wire hundreds of thousands of public dollars to a  
23 “consultant” in Canada to “buy up our stock when it is under attack.” Plaintiff repeatedly asked for  
24 the trading report and what exactly happened to the stock that was purchased, was provided  
25 nothing, and told simply this was the way things operated in Canada. When Plaintiff complained  
26 to the General Counsel about the unlawful transaction, he was essentially told to mind his own  
27 business as “this is Adam’s deal”;

28

1 c. ordering Plaintiff to pay success fees prohibited under the law to unlicensed  
2 broker dealers for various fundraising efforts, under the semblance of “consulting agreements.”  
3 Plaintiff questioned the legality of these payments, and discussed same with Bierman, Modlin and  
4 Lisa Sergi Trager;

5 d. the CEO and President refusing to retract a materially incorrect press  
6 release in violation of Canadian disclosure requirements regarding a real estate transaction until  
7 Plaintiff forced them to do so by demanding that the correction be included in the annual  
8 Management Discussion & Analysis subsequent event section. Plaintiff threatened that if it were  
9 not corrected, he would make the necessary public disclosure as described above;

10 e. the CEO and President not being fully transparent with the public about  
11 non-arm’s length deals with numerous related parties (including PharmaCann and Captor Capital)  
12 in violation of security laws. In addition to complaining to Bierman and Modlin, Plaintiff also  
13 raised this issue with Lisa Sergi Trager;

14 f. compelling Plaintiff to make political contributions personally because the  
15 Company had maxed out its legal donations and the CEO had promised additional donations to a  
16 candidate in Nevada and being required (prior to going public) to directly pay (with the  
17 Company’s funds) for a personal furniture purchase for the President, which Plaintiff is informed  
18 and believes and upon that basis alleges, was to offset a large donation the President had made, but  
19 which could not be directly reimbursed by the Company who had met its contribution limit.  
20 Plaintiff made Bierman, Modlin and General Counsel, Lisa Sergi Trager, aware of this issue and  
21 the potential campaign finance violations;

22 g. CEO Bierman advising Plaintiff that he and President Modlin were going to  
23 falsify a personal brokerage statement to qualify Bierman for a home mortgage. Plaintiff  
24 confronted both Bierman and Modlin regarding the issue and told them this should not be done;

25 h. protesting the timing of the Company’s calculation of the carry for the  
26 private equity investment that was clearly being done to maximize the personal gain of CEO  
27 Bierman, President Modlin, and Chairman of the Board Ben Rose; and

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1 i. inquiring with President Modlin whether the Company’s Nevada cultivation  
2 facility had been stocked with mother plants in a compliant and legal manner. He assured him that  
3 it had been.

4 163. When Plaintiff complained to the Company, including General Counsel, Lisa Sergi  
5 Trager, who had the authority to investigate these complaints, regarding the above conduct of its  
6 most senior executives Bierman and (in some instances) Modlin (all of which Plaintiff reasonably  
7 believed to be unlawful), and or refused to participate in this unlawful conduct, the MedMen  
8 Entity Defendants retaliated against Plaintiff and engaged in adverse employment action by, *inter*  
9 *alia*:

- 10 a. stripping Plaintiff of numerous job responsibilities as the CFO of all the  
11 MedMen Entity Defendants as alleged herein;
- 12 b. excluding Plaintiff from various senior management meetings relating to the  
13 business and operations of all of the MedMen Entity Defendants;
- 14 c. attempting to move Parker, who was the CFO of all the MedMen Entity  
15 Defendants, to a satellite office outside of main headquarters (where the other senior executives  
16 were located); and
- 17 d. ultimately, constructively discharging Plaintiff as CFO of all of the  
18 MedMen Entity Defendants by creating a work environment that was so intimidating, hostile,  
19 abusive and offensive that a reasonable person in Plaintiff’s position would have no reasonable  
20 alternative but to leave under protest.

21 164. All of the MedMen Entity Defendants engaged in the above-described adverse  
22 employment action as a direct and proximate result of Plaintiff’s complaints regarding Bierman’s  
23 and Modlin’s unlawful conduct as described herein. Indeed, the temporal proximity between  
24 Plaintiff’s initial complaints and MedMen’s employment action is *quite telling*. It was just *weeks*  
25 *after* Plaintiff initially began complaining to Bierman and Modlin regarding MedMen’s  
26 acceptance of credit cards in the retail dispensaries, that Bierman Modlin fraudulently induced  
27 Plaintiff to enter into the Letter Agreement, and then began systematically rolling back his  
28 responsibilities as CFO of the MedMen Entity Defendants.



1           170. As CFO of all of the MedMen Entity Defendants, Plaintiff owed a fiduciary duty  
2 to, among others, all of the various entities which comprised the Company, including MedMen  
3 Enterprises, Inc. and its shareholders. It was in that capacity that Plaintiff signed the financial  
4 statements upon which Plaintiff is informed and believes and upon that herein alleges that  
5 MedMen Enterprises, Inc. shareholders relied and based their investment decisions.

6           171. An officer’s fiduciary duty is codified as public policy in California Corporations  
7 Code, § 309(a) (for corporations) and § 17704.09(f) (for limited liability companies). Accordingly,  
8 officers owe fiduciary duties of loyalty and care to shareholders trading on a public exchange and  
9 any provision seeking to immunize officers from their betrayal of that trust are against public  
10 policy and unenforceable.

11           The general rules applicable to the duties of a corporate officer have been  
12 frequently stated. In the leading case of *Guth v. Loft, Inc.*, 23 Del. CH. 255  
13 [5 A. 2d 503, 510], these obligations were cogently described as follows:  
14 “Corporate officers and directors are not permitted to use their position of  
15 trust and confidence to further their private interests. While technically not  
16 trustees, they stand in a fiduciary relation to the corporation and its  
17 stockholders. A public policy, existing throughout the years, derived from a  
18 profound knowledge of human characteristics and motive, has established a  
19 rule that demands of a corporate officer or director, peremptorily and  
20 inexorably, the most scrupulous observance of his duty, not only  
21 affirmatively to protect the interests of the corporation committed to his  
22 charge, but also to refrain from doing anything that would work injury to  
23 the corporation, or to deprive it of profit or advantage which his skill and  
24 ability might properly bring to it, or to enable it to amend in the reasonable  
25 and lawful exercise of its powers.”

19 *Bancroft Whitney Co. v. Glen* (1966) 64 Cal. 2d 327, 245

20           172. While Plaintiff’s contractually mandated responsibilities were being steadily  
21 eroded by the acts of Defendants, Plaintiff’s statutory fiduciary duty of loyalty and care remained  
22 undiminished until such time as he resigned or was constructively terminated. The longer Plaintiff  
23 remained at work (albeit constrained by the Company’s conduct), the greater the risk to the public  
24 shareholders of MedMen Enterprise, Inc. who were unaware that Plaintiff no longer had the  
25 panoply of responsibilities and authority necessary to ensure that the conduct of the officers and  
26 directors of the MedMen Entity Defendants (in part as reflected in the consolidated financials  
27 prepared for MedMen Enterprises, Inc.) was in the best interests of the Company (*i.e.* MM  
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1 Enterprises and its publicly traded indirect parent MedMen Enterprises, Inc. and various other  
2 subsidiaries, which subsidiaries are named herein as the MedMen Entity Defendants).

3 173. As the risks to public shareholders grew, the legal and financial risk to Plaintiff  
4 similarly increased. As his authority and responsibilities decreased as the CFO of the named  
5 MedMen Entity Defendants, his potential for liability increased. Plaintiff was constructively  
6 discharged in his role as CFO of the named MedMen Entity Defendants for refusing to ignore his  
7 fiduciary duty to the shareholders trading in MedMen Enterprise Inc., stock and insisting (often to  
8 no avail) that Defendants comply with applicable law (as alleged in paragraph 42 above).

9 174. Rather than remedying the issue by complying with its contractual obligations, it  
10 was the Company's intention to avoid its contractual obligations and thereby cripple Plaintiff's  
11 ability to comply with his fiduciary duty. MedMen's despicable conduct was designed to render  
12 Plaintiff's working conditions so intolerable and fraught with risk that any reasonable person in  
13 Plaintiff's position would feel compelled to resign from a position in which he had been already  
14 constructively discharged just as Plaintiff was forced to do. (Indicative of the nature and extent of  
15 the Company's efforts *prior* to Plaintiff separating from the Company, is the fact that a new CFO  
16 was sought out, identified, interviewed, reference and background checked, and vetted, he gave  
17 notice to his then current employer and was publicly announced on December 6, 2018 supposedly  
18 all within mere weeks of Plaintiff's separation.)

19 175. The Company continued to mislead the investing public after Plaintiff's  
20 termination. Not only was no mention made of Plaintiff's termination made until a full eleven  
21 calendar days after the event (in direct violation of Canadian material event disclosure rules,  
22 which require almost immediate public announcement to prevent any unauthorized trading  
23 activity), but it was mischaracterized by the Company as a "resignation". More brazenly, the  
24 Company signed Plaintiff's name to a required monthly public progress report filing (Canadian  
25 Securities Exchange Form 7) using a digital signature kept on file on November 7th, 2018 – a full  
26 two (2) days after Plaintiff's termination.

27 176. Additionally, Plaintiff is informed and believes and upon that basis alleges that,  
28 unknown at the time to Plaintiff, the Company agreed in principle to a "bought deal" financing (a

1 fundraising where the underwriting bank takes on any price risk that occurs after the agreement)  
2 on November 8th, 2018 (3 days after Plaintiff’s termination) without first informing the  
3 underwriting syndicate of the material change in executive leadership. Plaintiff is further informed  
4 and believes and upon that basis alleges that the Company renegotiated the aforementioned bought  
5 deal on November 16th at significantly less favorable terms (and causing an almost 2-day trading  
6 halt). CEO Bierman subsequently stated to New Cannabis Ventures (arguably the most respected  
7 journalism site in the cannabis industry) that the “departure of the CFO was in no way related to  
8 the subsequent change in the financing.” Instead, he deceptively contended that the unprecedented  
9 revision of the deal (a change which was demonstrably punitive to current shareholders including  
10 Plaintiff) was a result of market forces and the Company’s concern for its banking “partners”. That  
11 statement was false. Rather than in response to “market forces,” the renegotiation was indicative  
12 of the banking syndicate threatening to cancel the deal on the grounds of a material change (not  
13 previously disclosed by the Company to the bank).

14 177. Not content with deceiving the bank (and being caught and then having to  
15 renegotiate), CEO Bierman compounded his deception by then concealing from the investing  
16 public the real reason behind the retrade. When considered with previous actions, the Company’s  
17 further concealment demonstrates just how little respect the Company and its executives had, and  
18 continue to have, for their fiduciary responsibility to the investing public or to the injurious impact  
19 it would have upon Plaintiff’s reputation. Not surprisingly, after the Company released its  
20 speculation-inducing comments concerning Plaintiff’s “resignation” from the Company, Plaintiff’s  
21 bank summarily terminated its longstanding relationship with him.

22 178. As alleged above, there was *no distinction* between or among the acts that Bierman  
23 and Modlin engaged in, or on behalf of, any particular MedMen Entity Defendant. Moreover,  
24 when Bierman and Modlin retaliated against Plaintiff as described herein, they specifically  
25 interfered with Parker’s responsibilities as they related to *all* of the MedMen Entity Defendants.

26 179. The MedMen Entity Defendants’ conduct was a substantial factor and proximate  
27 cause of Plaintiff’s past and present harm, including but not limited to, general and special  
28 damages, lost earnings, salary, bonuses, equity grants and other employment benefits, and

1 severance benefits, all to his damages in an amount to be established at trial. Plaintiff also has  
2 incurred reasonable attorney fees in attempting to secure the benefits owed to him under his  
3 employment agreement.

4 180. The Company acted with malice, fraud and oppression and in conscious disregard  
5 of Plaintiff's rights, financial interests and reputation justifying an award of punitive damages.  
6 Such conduct was done, without limitation, by the MedMen Entities Defendants' CEO and  
7 President with the intent that it would subject Plaintiff to personal humiliation, discomfort and risk  
8 to force Plaintiff "up or out" in an attempt to conceal and perpetuate the Company's own  
9 wrongdoing at the expense of retail investors in MedMen Enterprises, Inc. stock and thereafter to  
10 intentionally mischaracterize Plaintiff's departure from the Company to further the Company's  
11 self-interest albeit to Plaintiff's detriment.

12 181. In committing the acts alleged herein, the MedMen Entity Defendants through their  
13 most senior executives, Bierman and Modlin, acted with a willful and conscious disregard for  
14 Plaintiff's rights, so as to constitute oppression, fraud or malice under the law. Accordingly,  
15 Plaintiff is entitled to recover punitive damages in an amount sufficient to punish all of the  
16 MedMen Entity Defendants, and to deter similar conduct in the future.

17 **PRAYER**

18 **WHEREFORE**, Plaintiff prays for entry of judgment in favor of Plaintiff and against  
19 Defendants, and each of them, as follows:

20 **For the First Cause of Action:**

- 21 1. For damages for breach of contract according to proof, including lost earnings,  
22 bonuses, equity grants and other employee benefits, past and future;
- 23 2. For prejudgment interest on lost earnings, bonuses, equity grants and employee  
24 benefits at the prevailing legal rate from the date of the filing of the Complaint;
- 25 3. For post-judgment interest;
- 26 4. For reasonable attorney fees incurred by Plaintiff according to contract;
- 27 5. For costs of suit incurred by Plaintiff; and
- 28 6. For such other and further relief as the court deems proper.

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**For the Second Cause of Action:**

1. For damages for breach of contract according to proof, including lost earnings, bonuses, equity grants, other employee benefits, past and future;
2. For prejudgment interest on lost earnings, bonuses, equity grants, other employee benefits at the prevailing legal rate from the date of the filing of the Complaint;
3. For post-judgment interest;
4. For reasonable attorney fees incurred by Plaintiff according to contract;
5. For costs of suit incurred by Plaintiff; and
6. For such other and further relief as the court deems proper.

**For the Third Cause of Action:**

1. For damages for breach of contract according to proof, including lost earnings, bonuses, equity grants (and diminution in stock value) and other employee benefits, past and future, and severance benefits;
2. For prejudgment interest on lost earnings, bonuses, benefits, equity grants and other employee benefits and severance benefits, at the prevailing legal rate from the date of the filing of the Complaint;
3. For post-judgment interest;
4. For reasonable attorney fees incurred by Plaintiff according to contract;
5. For costs of suit incurred by Plaintiff; and
6. For such other and further relief as the court deems proper.

**For the Fourth Cause of Action:**

1. For compensatory damages according to proof, including for past due attorneys' fees;
2. For prejudgment interest on the past due attorneys' fees;
3. For post-judgment interest;
4. For reasonable attorneys' fees incurred by Plaintiff according to contract;
5. For costs of suit incurred by Plaintiff; and
6. For such other and further relief as the court deems proper.

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**For the Fifth Cause of Action:**

1. For compensatory damages according to proof, including for past due attorneys’ fees;
2. For punitive damages;
3. For prejudgment interest on the past due attorneys’ fees;
4. For post-judgment interest;
5. For reasonable attorneys’ fees incurred by Plaintiff according to contract;
6. For costs of suit incurred by Plaintiff; and
7. For such other and further relief as the court deems proper.

**For the Sixth Cause of Action:**

1. For compensatory damages according to proof, including for past due attorneys’ fees;
2. For punitive damages;
3. For prejudgment interest on the past due attorneys’ fees;
4. For post-judgment interest;
5. For reasonable attorneys’ fees incurred by Plaintiff according to statute;
6. For costs of suit incurred by Plaintiff; and
7. For such other and further relief as the court deems proper.

**For the Seventh Cause of Action:**

1. For compensatory damages according to proof, including for past due attorneys’ fees;
2. For punitive damages;
3. For prejudgment interest on the past due attorneys’ fees;
4. For post-judgment interest;
5. For reasonable attorneys’ fees incurred by Plaintiff;
6. For costs of suit incurred by Plaintiff; and
7. For such other and further relief as the court deems proper.

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**For the Eighth Cause of Action:**

1. For compensatory damages according to proof, including for past due attorneys’ fees;
2. For punitive damages;
3. For prejudgment interest on the past due attorneys’ fees;
4. For post-judgment interest;
5. For reasonable attorneys’ fees incurred by Plaintiff;
6. For costs of suit incurred by Plaintiff; and
7. For such other and further relief as the court deems proper.

DATED: December 13, 2019

KINSELLA WEITZMAN ISER  
KUMP & ALDISERT LLP

By:           /s/ Michael J. Kump            
Michael J. Kump  
Attorneys for Plaintiff and Cross-Defendant  
JAMES PARKER

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**DEMAND FOR JURY TRIAL**

Plaintiff hereby demands trial by jury on all issues of right by jury.

DATED: December 13, 2019

KINSELLA WEITZMAN ISER  
KUMP & ALDISERT LLP

By:           /s/ Michael J. Kump            
Michael J. Kump  
Attorneys for Plaintiff and Cross-Defendant  
JAMES PARKER

# **EXHIBIT A**

MM Enterprises USA, LLC  
10115 Jefferson Blvd  
Culver City, CA 90232

May 18, 2018

*via email: james@medmen.com*  
James Parker, Chief Financial Officer  
MM Enterprises USA, LLC  
13101 Morrison St.  
Sherman Oaks, CA 91423

Re: Letter Agreement Re: Employment

Dear James:

We are pleased to formally memorialize the terms of your position with MM Enterprises USA, LLC (the "Company") as the Chief Financial Officer, on the following terms and conditions, as set forth in this letter agreement (the "Agreement"):

1. **Position and Term.** Your position as Chief Financial Officer with the Company is already effective and this Agreement will formalize its terms in more detail. Your title and position as Chief Financial Officer will not change during the term of this Agreement and you will not be demoted. This Agreement will be in full force and effect for four (4) years from the date of your countersignatures below. At the end of that four (4)-year period, this Agreement will automatically renew for an additional three (3)-year period under financial terms that will be targeted to increase by fifty (50%) percent from the terms currently provided herein, subject to approval by the Chief Executive Officer and the Board of Directors of the Company (the "Board").
2. **General Duties and Responsibilities.** As Chief Financial Officer, you will report to the Chief Executive Officer. The Chief Financial Officer is charged with the financial, accounting, tax, and the financial aspects of the risk management operations of the company. This includes the development of a financial and operational strategy, metrics tied to that strategy, and the ongoing development and monitoring of control systems designed to preserve company assets and report accurate financial results. As part of your responsibilities, you will monitor and direct the implementation of strategic business plans, develop financial and tax strategies, manage the capital request and budgeting processes, develop performance measures that support the company's strategic direction, participate in key decisions as a member of the executive management team, manage the accounting, investor relations, tax, and treasury departments, oversee the financial operations of subsidiary companies and any foreign operations, manage any third parties to which accounting or finance functions have been outsourced, and oversee the issuance of financial information and reports. These are examples of your duties and responsibilities and other tasks may be assigned to you from time to time by the Company's Chief Executive Officer where he/she deems necessary or desirable.

3. **Base Salary, Expenses.** You will receive a base salary at an annual rate equal to Seven Hundred Fifty Thousand U.S. Dollars (\$750,000.00), payable in accordance with the Company's standard payroll policies and procedures (together with any increases, the "Base Salary"), which will not be subject to any reduction during the term of this Agreement. In the event that your employment is involuntarily terminated without Cause (as hereinafter defined) during the term of this Agreement, the Company will pay to you, in addition to any severance pay provided for herein, the Base Salary for the remainder of the year of the termination plus the Base Salary for any remaining years of the Agreement term, in one lump sum, on the first day of the month following your termination date. Your reasonable business expenses will be reimbursed according to the Company's then-current policies and procedures and no later than one (1) month after the expense incurred.
4. **Annual Bonus.** In addition to the Base Salary, you will be paid an annual bonus, prior to the March 15 following the year in which it is earned, at a target amount of One Hundred Fifty Percent (150%) of your then-current Base Salary for that year (the "Target Bonus Amount"). After considering the Target Bonus Amount level, the actual amount of your bonus (which may be higher or lower and may or may not include additional equity grants) will be determined after review by the Chief Executive Officer.
5. **Equity Grants.** At the execution of this Agreement and the implementation of the Company's RTO (but, in no event, later than May 17, 2018), you shall receive the following equity grants (the "Equity Grants"): (a) an outright grant of Common Units in the Company equal to Two Million Five Hundred Thousand (\$2,500,000) U.S. Dollars, and (b) a grant of Full Value LTIP ("FV LTIP") units equal to Seventeen Million Five Hundred Thousand (\$17,500,000.00) U.S. Dollars. The FV LTIP units will vest as follows: Two Million Five Hundred Thousand (\$2,500,000.00) U.S. Dollars will vest immediately, and the remaining Fifteen Million (\$15,000,000.00) will vest ratably, on a monthly basis, beginning on May 17, 2018 and concluding with all FV LTIPs fully vested on March 15, 2022. The Equity Grants are based on the value of the Company as set forth in the RTO concurrent financing. For the avoidance of doubt, such amount is One Billion Six Hundred Fifty Million (\$1,650,000,000.00) U.S. Dollars.
6. **Severance.** In the event that your employment is terminated by the Company involuntarily without Cause:
  - a. The Company will provide you with a lump sum payment, to be paid on the first day of the month following the termination date, equivalent to three (3) times your then-current Base Salary for the year of the termination.
  - b. The Company will provide you with a lump sum payment, to be paid on the first day of the month following the termination date, equivalent to two (2) times your then-current Target Bonus Amount for the year of the termination.

- c. Any unvested FV LTIPs (or AO LTIPs if granted in a subsequent agreement) will immediately vest and convert into Common Units on a one for one (1 to 1) basis on the day prior to the employment termination date.
- d. Any unvested stock options, restricted stock or other award will immediately vest on the day prior to the employment termination date.
- e. The executive protection program referenced in Section 8.d., below, will continue to apply, at the expense of the Company, for six (6) months following your termination date. For this post-severance benefit, the maximum amount of the benefit on an annual basis will be \_\_\_\_\_ U.S. Dollars (\$ \_\_\_\_\_), with no carryovers permitted between years (and no consequential impact between or among years), and reimbursements will be paid on a current basis (within ninety (90) days of the expense being incurred) and, in any case, by the end of the year after the year in which the expense is incurred. Notwithstanding Section 12 or any other provision contained herein, this benefit cannot be liquidated for cash or another benefit or substituted for other rights or benefits.
- f. The Company will provide you with a lump sum payment, to be paid on the first day of the month following the termination date, in the amount of Two Hundred and Fifty Thousand U.S. Dollars (\$250,000).

For purposes of this Agreement, "Cause" shall mean, as determined by the Board and unless otherwise provided in an applicable agreement with the Company, (a) material violation of the Company's policies, including the disclosure or misuse of confidential information, or those set forth in manuals or statements of policy issued by the Company; or (b) serious neglect or misconduct in the performance of your duties for the Company or willful or repeated failure or refusal to perform such duties. If Cause is alleged, we will provide you with written notice of the Company's position, and you will have ninety (90) days from your receipt of that notice to cure the Cause allegation situation. The Board will review your cure efforts, and the Board will then provide you with a written notice detailing its decision.

This Section 6 shall not apply in the event that you voluntarily terminate your employment or if the Company terminates your employment for Cause.

- 7. **Public Trading, Public Listing, Etc.** In the event that the Company's equity shares are the subject of an initial public offering (or become publicly listed or are similarly traded publicly) on a major equity exchange market (either within or outside of the United States) and if the Company reaches an enterprise value of Two Billion U.S. Dollars (\$2,000,000,000) (regardless of the length of time the market capitalization is held), you will receive a cash payment of Two Million Five Hundred Thousand (\$2,500,000.00) U.S. Dollars no later than sixty (60) days after the conditions in this Section 7 are met. For the avoidance of doubt, if these events occur to a successor entity of the Company

(e.g., through a reverse acquisition or merger), this Section 7 shall also apply to that situation if no such payout has occurred in any related transaction pursuant to this Section 7.

8. **General Benefits, Specific Application, Mandatory Procedures.** You will be subject to all rules and policies applicable to employees of the Company at your level and in your position (which, as Chief Financial Officer, would be the senior executive level). You will be eligible to participate in all employee benefits plans and programs of the Company generally applicable to employees at your level and in accordance with their terms. Notwithstanding the above, the following will specifically apply to you regardless of the terms of the plans and programs:
- a. **Vacation.** You will be entitled to an unlimited amount of vacation, paid time off, or its equivalent (unless prohibited by applicable law).
  - b. **Health Insurance, etc.** The Company will pay all of your premiums for your health insurance and related benefits (including coverage for your spouse and dependents), as well as your premiums or other costs for disability (your short-term disability benefit will provide at least your Base Salary for one (1) year if you are disabled, which will be in addition to your other normal benefits that will continue during any short-term disability), and life insurance benefits, and a benefit for executive financial counseling.
  - c. **Executive Insurance, Disputes.** The Company will maintain, and pay for, the standard insurance coverages for you that it maintains for its executives, including, but not limited to, liability protection in the form of directors and officers coverage, and, additionally, the Company will indemnify you against claims made against you related to your employment with the Company, including paying for your legal fees related to any such claim, even if the claim occurs after this Agreement has terminated. In such case, the provisions of Section 12 shall apply to the indemnification and payment of legal fees if required by the Code §409A rules.
  - d. **Executive Protection.** The Company will maintain a policy regarding mandatory executive protection (at the expense of the Company) in which you are required to participate. This policy has clear and objective definitions and a copy of this policy is attached hereto as Exhibit C.
9. **Termination.** Notwithstanding the contractual nature of your employment, both you and the Company agree to provide each other with ninety (90) days prior written notice of any intention to terminate your employment with the Company. Upon termination of your employment with the Company, this Agreement will also terminate except for the provisions of this Agreement that must survive for their force and effect.

10. **Death.** In the event of your death during the term of this Agreement, your estate shall receive the following from the Company:

a. A lump sum payment equivalent to the sum of X plus Y, where:

X = two (2) times your then-current salary; and

Y = the maximum annual bonus paid to you over the previous five (5) years pursuant to Section 4 of this Agreement,

which payment will be made to your then-current spouse on the first day of the second month after your death. An equivalent payment will be made on the one (1) year anniversary of that payment date.

b. The remainder of your equity grants (that have not vested), which will then be fully vested when transferred to your spouse on the first day of the second month after your death.

11. **Taxes, Gross-Ups, Make-Whole Payments.** In the event that you are required to pay any taxes, other than standard federal, state, and/or local income taxes that generally constitute expected ordinary income or capital gains, the Company will reimburse you for any taxes, penalties, and interest that may be triggered by any other tax code provisions, including, but not limited to §409A of the Internal Revenue Code of 1986, as amended (the "Code"), taxes imposed for failed discrimination tests, excess parachute payments, income that is imputed to you resulting from a benefit or perquisite, or taxes imposed for any similar unanticipated tax issue such as those ancillary liabilities that may be incurred and that are related to the unanticipated tax issues. If the Company is required to provide you with a gross-up payment pursuant to this Section, it will also include in the gross-up amount consideration for the tax consequences of the gross-up amount in an amount to make you whole to the extent reasonably possible, and all such gross-up payments will be paid within thirty (30) days of the date that you remit any such payment to the taxing authority to extinguish the liability. Additionally, and subject to the remainder of this Agreement, in the event that the Company deems it no longer legally possible to provide a compensation amount, benefit, or perquisite that it is required to provide to you due to applicable law, insurance or vendor offerings, discrimination testing or similar legal, compliance, or availability considerations, it will provide you with a similar benefit or a cash amount equivalent to the value of the benefit that no longer is deemed permissible. In the event that such a reformatting or substitution of benefits results in noncompliance with the Code §409A rules, the new benefit or cash will be restructured to comply with the Code §409A rules to the extent possible, and to the extent not possible, the gross-up provisions provided herein will apply to make you economically whole as if there were compliance. Notwithstanding anything to the contrary contained herein, if Code §409A requires any payment to be delayed due to you constituting a "key employee" under the Code §409A rules, then such payment will be delayed for six (6) months (unless a different time period is then applicable for "key employees" under the Code §409A, in which case that required time period will apply). In that case, the delay of any such payment will end and the payment will be made on (or begin on) the first day of the

seventh month after the employment termination date in the same form (e.g., a lump sum) that it would otherwise have been made previously.

12. **Dispute Resolution.** Notwithstanding any other provision herein referencing legal fees, in the event that any dispute arises related to this Agreement, including if the dispute involves the Company, all of your legal fees will be paid by the Company regardless of the outcome of the dispute for your lifetime. In that case, the maximum amount of the benefit on an annual basis will be Five Hundred Thousand U.S. Dollars (\$500,000.00), with no carryovers permitted between years (and no consequential impact between or among years), and reimbursements will be paid on a current basis (within ninety (90) days of the expense being incurred) and, in any case, by the end of the year after the year in which the expense is incurred. Notwithstanding Section 11 or any other provision contained herein, this benefit cannot be liquidated for cash or another benefit or substituted for other rights or benefits.

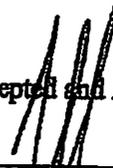
13. **Exhibits.** Please note that the Exhibits to this Agreement are incorporated by reference herein and are part of this Agreement.

We look forward to your continued service according to this Agreement, and if you have any questions, please contact me.

Sincerely,  
MM Enterprises USA, LLC

By:   
Its: AUTHORIZED SIGNATORY

Accepted and Agreed:

  
James Parker

5/18/18, 2018

Exhibit A  
to  
Letter Agreement  
(Confidentiality and Non-Disparagement Provisions)

**A. Confidential Information.**

1. **Definition.** During the course of your employment with the Company, you may receive confidential information of, and/or be in the possession of confidential information from, the Company, and/or its parents, subsidiaries, and any affiliated entities (collectively, "Affiliates"), as well as confidential information pertaining to the Company's clients or customers. Confidential information includes, but is not limited to, customer or client lists, services provided to such customers or clients, sources and leads for obtaining new business, vendors or suppliers, trade secrets, images, slogans, logos, designs, sketches, mock-ups, samples, computer software, operations, systems, services, financial affairs of the Company and/or its Affiliates, forms, contracts, agreements, literature, inventions, original works of authorship, copyrights, patents, trademarks, and any and all information and know-how, or other items designed, developed or written by, for, with, or on behalf of the Company and/or its Affiliates (whether or not such information constitutes "Work Product," as defined below), now or in the future (hereinafter, "Confidential Information"). Confidential Information shall not include concepts, ideas, discoveries, or techniques intrinsic to your knowledge or experience (to the extent that those concepts, ideas, discoveries, or techniques are unrelated to the Company and its proprietary information), or information which is or which comes into the public domain through no fault of yours.

2. **Exclusive Property.** All Confidential Information is, and at all times shall remain, the exclusive property of the Company. You recognize and acknowledge that Confidential Information is valuable, special and unique to the business of the Company and its Affiliates, and that access to and knowledge thereof is essential to the performance of your duties to the Company. During the time that you are an employee of the Company, and at all times thereafter, you will keep secret and will not use or disclose any Confidential Information to any person or entity, in any fashion or for any purpose whatsoever, except at the request of or with prior written consent of the Company (or as may be required by applicable law).

**B. Non-Disparagement.**

**Non-Disparagement/No Speaking with the Media.** Both during your employment with the Company and at all times thereafter, you agree that, except as required by applicable law or compelled by process of law, you will not, nor will you permit anyone acting on your behalf to (i) make any derogatory, disparaging, or critical statement about the Company, or (ii) without the permission of the CEO/President of the Company (or the Board where it deems necessary or desirable), communicate, directly or indirectly, with the press or other media (including, but not limited to, any electronic media) concerning the past or present employees or business of the Company.

Exhibit B  
to  
Letter Agreement  
(General Provisions)

1. No Waiver. No failure or delay by you or the Company in exercising any right under this Agreement will operate as a waiver thereof or preclude any other or further exercise thereof or the exercise of any other rights.
2. No Oral Modification. This Agreement may not be changed or modified except by a written agreement that has been signed by the Company's CEO/President or approved by the Board.
3. Reformation and Severability. The provisions of this Agreement shall be enforced to the fullest extent possible, but if any court of competent jurisdiction or arbitration panel determines that any provision of this Agreement is unenforceable, that provision shall not impair the remaining provisions of this Agreement. In addition, if any provision is held to be unenforceable because of the scope, duration or area of its applicability, the court or tribunal making such determination shall have the power to modify such scope, duration and/or area, and such provision shall then be applicable in such modified form and every other provision of this Agreement shall remain in full force and effect.
4. Representation. You acknowledge that you have had the opportunity to seek legal and tax counsel prior to entering into this Agreement, and that any legal or tax counsel representing the Company does not also represent you.
5. Tax Matters. All amounts of compensation paid to you shall be paid subject to applicable taxes, withholdings, and deductions, including compliance, where necessary, for issuances of equity interests in the Company and Code §409A, each where applicable.
6. Applicable Law. This Agreement shall be interpreted in accordance with the laws of the State of California, where appropriate, unless preempted by federal law.
7. Entire Agreement and Assignment. This Agreement, including the Exhibits, represents the entire agreement between you and the Company regarding your employment with the Company and supersedes any and all previous and contemporaneous agreements and representations, written or oral. The Company may assign this Agreement to any successor or assign. Notwithstanding the above, this Agreement shall be binding on any successor to the Company by purchase or otherwise.
8. Interpretation. If a provision of this Agreement requires interpretation, the parties agree that no presumption against one party shall apply by reason of the rule of construction that a document is to be construed more strictly against the party who prepared the document.
9. Return of Property. Upon termination of this Agreement, you will immediately return and surrender to the Company originals and all copies of all records, notes, memoranda,

information, documents, and other property created or obtained by you as a result of, or in the course of, or in connection with, your employment with the Company hereunder, including Confidential Information.

10. Notice. Unless one party provides a new address to the other, any notice required under this Agreement shall be written and executed by the sender. Notice shall be sufficient if personally delivered or mailed (or electronically mailed) as follows:

If to James Parker, then to:  
James Parker, CFO  
13101 Morrison St.  
Sherman Oaks, CA 91423

If to the Company, then to:

MM Enterprises USA, LLC  
c/o \_\_\_\_\_  
10115 Jefferson Blvd  
Culver City, CA 90232

11. Counterparts. This Agreement (and its Exhibits) may be executed in counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one agreement. The headings of the various sections of this Agreement have been inserted for reference only and shall not be deemed to be a part of this Agreement.

Exhibit C  
to  
Letter Agreement  
(Executive Protection Policy)

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KINSELLA WEITZMAN ISER KUMP & ALDISERT LLP  
808 WILSHIRE BOULEVARD, 3<sup>RD</sup> FLOOR  
SANTA MONICA, CALIFORNIA 90401  
TEL 310.566.9800 • FAX 310.566.9850

**PROOF OF SERVICE**

**STATE OF CALIFORNIA, COUNTY OF LOS ANGELES**

At the time of service, I was over 18 years of age and not a party to this action. I am employed in the County of Los Angeles, State of California. My business address is 808 Wilshire Boulevard, 3rd Floor, Santa Monica, CA 90401.

On December 13, 2019, I served the following document(s) described as **SECOND AMENDED COMPLAINT FOR DAMAGES FOR: 1) Breach Of Contract - Demotion; 2) Breach Of The Implied Covenant Of Good Faith And Fair Dealing; 3) Breach Of Contract - Termination Without Cause; 4) Breach of Contract - Refusal To Pay Legal Fees and Expenses; 5) Promissory Fraud ; 6) For Retaliation Against Plaintiff Under FEHA; 7) For Retaliation Against Plaintiff Under Labor Code § 1102.5; and 8) Wrongful Discharge In Violation of Public Policy** on the interested parties in this action as follows:

**SEE ATTACHED SERVICE LIST**

**BY MAIL:** I enclosed the document(s) in a sealed envelope or package addressed to the persons at the addresses listed above or on the attached Service List and placed the envelope for collection and mailing, following our ordinary business practices. I am readily familiar with Kinsella Weitzman Iser Kump & Aldisert LLP's practice for collecting and processing correspondence for mailing. On the same day that the correspondence is placed for collection and mailing, it is deposited in the ordinary course of business with the United States Postal Service, in a sealed envelope with postage fully prepaid.

**BY E-MAIL OR ELECTRONIC TRANSMISSION:** Based on an agreement of the parties to accept service by e-mail or electronic transmission, I caused the document(s) to be sent from e-mail address choffman@kwikalaw.com to the persons at the e-mail addresses listed above or on the attached Service List. I did not receive, within a reasonable time after the transmission, any electronic message or other indication that the transmission was unsuccessful.

**BY E-MAIL OR E-SERVICE:** (Code Civ. Proc. § 1010.6, Cal. Rules of Court, rule 2.251) I caused the document(s) to be sent from e-mail address choffman@kwikalaw.com to the persons at the e-mail addresses listed above or the Service List. I did not receive, within a reasonable time after the transmission, any electronic message or other indication that the transmission was unsuccessful.

**BY OVERNIGHT DELIVERY:** I enclosed said document(s) in an envelope or package provided by the overnight service carrier and addressed to the persons at the addresses listed above or on the attached Service List. I placed the envelope or package for collection and overnight delivery at an office or a regularly utilized drop box of the overnight service carrier or delivered such document(s) to a courier or driver authorized by the overnight service carrier to receive documents.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed on December 13, 2019, at Santa Monica, California.

*Candace E. Hoffman*

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Candace E. Hoffman

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**SERVICE LIST**  
(Parker v. MM/Case No. 19SMCV00189)

<p>James J. Ward Michael D. Hidalgo <b>Baker &amp; McKenzie LLP</b> 1901 Avenue of the Stars, Suite 950 Los Angeles, California 90067</p>	<p><i>Attorneys for MM Enterprises USA, LLC</i></p> <p>Telephone: (310)201-4728 Facsimile: (310)201-4721 <a href="mailto:joe.ward@bakermckenzie.com">joe.ward@bakermckenzie.com</a> <a href="mailto:michael.hidalgo@bakermckenzie.com">michael.hidalgo@bakermckenzie.com</a> <a href="mailto:mieae.choi@bakermckenzie.com">mieae.choi@bakermckenzie.com</a> <a href="mailto:nada.hitti@bakermckenzie.com">nada.hitti@bakermckenzie.com</a></p>
<p>William F. Dugan <b>Baker &amp; McKenzie LLP</b> 300 East Randolph Street, Suite 5000 Chicago, Illinois 60601</p>	<p><i>Attorneys for MM Enterprises USA, LLC</i></p> <p>Telephone: (312) 861-4208 Facsimile: (312)698-2476 <a href="mailto:william.dugan@bakermckenzie.com">william.dugan@bakermckenzie.com</a></p>
<p>Billie D. Wenter Anne M. Kelts <b>Baker &amp; McKenzie LLP</b> Two Embarcadero Center, 11th Floor San Francisco, California 94111</p>	<p><i>Attorneys for MM Enterprises USA, LLC</i></p> <p>Telephone: (415)576-3078 Facsimile: (415)576-3099 <a href="mailto:billie.wenter@bakermckenzie.com">billie.wenter@bakermckenzie.com</a> <a href="mailto:anne.kelts@bakermckenzie.com">anne.kelts@bakermckenzie.com</a></p>
<p>Christine M. Streatfeild <b>Baker &amp; McKenzie LLP</b> 815 Connecticut Avenue, N.W. Washington, DC 20006</p>	<p><i>Attorneys for MM Enterprises USA, LLC</i></p> <p>Telephone: (202) 835 6111 <a href="mailto:christine.streatfeild@bakermckenzie.com">christine.streatfeild@bakermckenzie.com</a></p>