

## NOTICE OF PUBLIC DISPOSITION OF COLLATERAL

TO: Prospective Bidders

FROM: Dr. Sebi's Office, as Secured Party (defined below)

Date: October 20, 2020  
Time: 10:00 a.m. PDT  
Place: To be held via teleconference call (pandemic precaution)  
Dial-in: +1 (712) 775-8972  
Access code: to be provided by Auctioneer (defined below)

Dr. Sebi's Office, a California corporation, as lender (in such capacity, the "Secured Party"), under (i) the Promissory Note dated December 31, 2014 (the "Original Note") between Alfredo Bowman, as borrower, and the Secured Party, as lender, and (ii) Amended and Restated Promissory Note dated March 12, 2016 between Alfredo Bowman, as borrower, and Secured Party, as lender (the "A&R Note" and together with the Original Note, the "Notes"), hereby gives notice that Secured Party will conduct a public disposition of all "Collateral" described below at the place, on the date and at the time and in the manner stated above. The public disposition (the "Auction") will be conducted in accordance with the California Uniform Commercial Code. In light of local, state and/or federal COVID-19 related laws, rules and/or regulations (the "COVID-19 Rules") that may be in effect at the time of the Auction, the Auction will only be held by teleconference. Alfredo Bowman, debtor under the Notes, is deceased and he and his estate are hereinafter collectively referred to as the "Debtor".

The collateral to be offered for sale is common stock as described in Exhibit A hereto (the "Collateral"). Financial information will be available for review upon request following the execution and delivery to Secured Party's auction and marketing agent, Braunco, Inc. (acting solely in such capacity on behalf of the Secured Party, the "Auctioneer"), of a confidentiality agreement in the form attached as Exhibit B hereto and delivery of the Qualified Bidder Representation Statement referred to below. For the confidentiality agreement or questions about the sale, contact Todd Wohl at Braunco, Inc.: [todd@braunco.com](mailto:todd@braunco.com); (866) 568-6638, ext. 100. All persons interested in bidding on the Collateral shall conduct their own due diligence, at their own expense, regarding the information they deem is appropriate to review to become familiar with the Collateral. The Secured Party makes no representations and provides no warranties, either express or implied, regarding the accuracy of any of the information contained within the materials made available to bidders, which are provided for informational purposes only.

At the public sale (the "Auction"), the Secured Party will offer the Collateral for sale as a single unit to the highest *qualified* bidder, in order to maximize the sale proceeds. To *qualify* as a bidder at the public sale, a proposed purchaser must, **not later than 12:00 p.m. PDT two days immediately preceding the day scheduled for the sale:**

- (i) Submit written confirmation of the intent to bid cash for purchase of the Collateral in one lot;
- (ii) deliver proof of immediately available and good funds to the reasonable satisfaction of the Secured Party to cover the maximum amount to be bid (a prospective bidder at the Auction may not bid in excess of the amount for which proof of funds has been provided);
- (iii) provide a cashier's or certified bank check representing immediately available and good funds in the amount of \$50,000 to the Company's counsel as a good faith deposit for the purchase of Stock (the "Deposit");

- (iv) deliver a signed Qualified Bidder Representation Statement, confirming, among other things, that bidder is an “accredited investor” as defined in Rule 501 of Regulation D promulgated under the Securities Act of 1933, in the form attached hereto as **Exhibit C**; and
- (v) timely attend the sale telephone conference per the information provided above.

A bidder who timely and completely fulfills the above requirements as further set forth in the Qualified Bidder Requirements attached hereto as **Exhibit D** shall be deemed a qualified bidder a (“**Qualified Bidder**”). No bids may be withdrawn once made during the Auction and only the bids of Qualified Bidders that are actually present at the Auction via teleconference shall be considered. The Auction shall continue until the Auctioneer (as defined below) has determined and identified (a) the Qualified Bidder that has submitted the highest bid for the Collateral that complies with all requirements set forth in these Terms of Sale (such Qualified Bidder, the “**Winning Bidder**”) and (b) if the Secured Party directs the Auctioneer to designate a back-up bidder, the Qualified Bidder that has submitted the second highest bid for the Collateral that complies with all requirements set forth in these terms (such Qualified Bidder, the “**Back-Up Bidder**”).

If a Qualified Bidder’s offer is accepted by the Secured Party at the sale, then the successful bidder shall be bound by its offer, **and funds in the full amount of such Qualified Bidder’s successful bid shall immediately be paid to Secured Party and no later than 2:00 p.m. PDT on the next business day after the conclusion of the sale (the “Outside Date”).** If the Winning Bidder does not consummate the purchase on or prior to the Outside Date, then the Back-Up Bidder shall be notified that it has been designated the new winning bidder (such notification, the “**Back-Up Bidder Notice**”) and shall be obligated, on or prior to the Outside Date, to consummate the purchase. If the Back-Up Bidder is ultimately designated the new winning bidder, such Back-Up Bidder shall be required to consummate the purchase on the same terms as were applicable to the Winning Bidder (other than the purchase price, which shall be the highest bid made by the Back-Up Bidder) on or prior to the Outside Date (defined below) and shall have no right to postpone or nullify the purchase. The bidder that is selected as the Winning Bidder or the Back-Up Bidder and is consummating the purchase is referred to herein as the “**Prevailing Bidder.**”

The Deposit of each Qualified Bidder shall be refunded in full as follows: (A) to such Qualified Bidder that is not the Winning Bidder or the Back-Up Bidder, within three (3) business days after the Auction and (B) to such Qualified Bidder that is the Back-Up Bidder, within three (3) business days following the purchase by the Winning Bidder if the Back-Up Bidder is not ultimately the Prevailing Bidder.

Each of the Winning Bidder’s Deposit and, if the Back-Up Bidder is selected, the Back-Up Bidder’s Deposit will be applied toward payment of the purchase price (it being understood that the Prevailing Bidder’s Deposit shall be part of the purchase price that is transferred to the Secured Party as part of consummating the purchase) or refunded as provided in these terms. Notwithstanding the foregoing, if the Winning Bidder or the Back-Up Bidder (if selected as the Prevailing Bidder), as applicable, is unable for any reason to consummate the purchase on or prior to the Outside Date (other than the Secured Party’s willful failure to close), the Secured Party (or its designee) may (x) retain all or a portion of the Deposit paid by such bidder as liquidated damages for the costs of the sale and for its loss of bargain and (y) seek additional compensatory damages resulting from such bidder’s failure to so consummate the purchase. By bidding at the sale, each bidder acknowledges that it would not be possible to ascertain the Secured Party’s actual damages under the circumstances described in this paragraph or otherwise as a result of failing to comply with the terms or the Qualified Bidder Requirements and that money damages would not be a sufficient remedy. The Secured Party and its affiliates and representatives reserve all rights and remedies available at law, in equity or otherwise, including the right to injunctive relief or the remedy of specific performance. If the Secured Party fails to consummate the purchase with the bidder that is contemplated to be Prevailing Bidder for any reason whatsoever, the sole and exclusive remedy of such bidder shall be the return of the bidder’s Deposit.

Secured Party, either directly or indirectly through or on behalf of nominees or assigns, reserves the right to bid at the sale without making a Deposit as required for other bidders. Secured Party may credit bid all or part of the obligations secured by the Collateral, and may take title after the public sale through or on behalf of one or more nominees or assigns. The public sale may be cancelled, postponed or continued at any time, without further notice, at the Secured Party's discretion. Any sales, use or other taxes or filing, recording, transfer or similar fees will be the responsibility of the successful bidder. Bids may be oral or written, at Secured Party's election, but will be subject to the terms of a Bill of Sale, substantially in the form attached hereto as **Exhibit E**, which the purchaser will be required to acknowledge. This public sale is with reserve, meaning that each bid is merely an offer, and is not binding until accepted by the Secured Party. Without limiting the generality of the foregoing, each of the Secured Party and the Auctioneer (defined below) reserves the right to reject all bids determined in good faith by it to be unqualified, conditional or otherwise commercially unreasonable.

THE SALE OF COLLATERAL IS OFFERED AS IS, WHERE IS, WITH ALL FAULTS, AND THE SECURED PARTY DOES NOT, AND SHALL NOT, MAKE ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, WHATSOEVER INCLUDING, WITHOUT LIMITATION, ANY EXPRESS OR IMPLIED WARRANTY RELATING TO TITLE, POSSESSION, QUIET ENJOYMENT, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR OTHER WARRANTIES IN CONNECTION WITH THE AUCTION OR THE PURCHASE AND SALE OF THE COLLATERAL. THE SECURED PARTY DOES NOT, AND SHALL NOT, MAKE OR PROVIDE ANY GUARANTY, INDEMNITY, REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, WHATSOEVER AS TO THE EXISTENCE OR NONEXISTENCE OF LIENS, THE QUANTITY, QUALITY, CONDITION OR DESCRIPTION OF THE COLLATERAL, THE VALUE OF THE COLLATERAL OR ANY OTHER MATTER. THE TRANSFER OF THE COLLATERAL WILL BE MADE WITHOUT RECOURSE OR ANY RIGHT OF RESCISSION. NO INFORMATION PROVIDED TO A BIDDER IN RESPONSE TO ANY REQUEST FOR INFORMATION MADE TO THE SECURED PARTY OR ANY AUCTIONEER OR BROKER IT MAY RETAIN (INCLUDING BRAUN) SHALL CONSTITUTE A REPRESENTATION OR WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, WITH RESPECT TO SUCH INFORMATION, THE COLLATERAL, THE PUBLIC SALE OR ANY OTHER MATTER. WITHOUT LIMITING THE FOREGOING, ANY BIDDER MUST PURCHASE THE COLLATERAL SUBJECT TO THE TERMS OF THE GOVERNING DOCUMENTS OF THE COLLATERAL.

THE SECURED PARTY RESERVES THE RIGHT FROM TIME TO TIME BUT PRIOR TO THE COMMENCEMENT OF BIDDING AT THE AUCTION TO MAKE COMMERCIALY REASONABLE AMENDMENTS OR INCLUDE ADDITIONAL CONDITIONS TO THE TERMS HEREIN AND THE QUALIFIED BIDDER REQUIREMENTS AS THE SECURED PARTY MAY DEEM APPROPRIATE TO FACILITATE A COMMERCIALY REASONABLE SALE OF THE COLLATERAL OR OTHERWISE, AND RESERVES ALL RIGHTS IN CONNECTION WITH THE AUCTION AND THE SALE OF THE COLLATERAL.

The outstanding principal balance and interest due under the Notes as of September 25, 2020 is approximately \$1,183,000.00 (together with all fees and expenses incurred by the Secured Party in connection with the enforcement of the Notes, including legal fees and Auction costs incurred by the Secured Party, the "Secured Obligations"). The Debtor is entitled to an accounting of the unpaid indebtedness secured by the Collateral, which Debtor may obtain by contacting Secured Party's representative set forth above. Qualified Bidders are advised that the stated amount of Secured Obligations accounts for the outstanding principal balance and interest due under the Notes as of the aforementioned date and does not account for enforcement costs (including legal fees and Auction costs), and, upon request to the Secured Party, any Qualified Bidder can obtain from the Secured Party an estimate of the total Secured Obligations as of a given date.

The sale proceeds shall be applied and paid as follows: (i) FIRST, to satisfy the Secured Obligations in accordance with the Notes; (ii) SECOND, if any portion of the sale proceeds remains after satisfaction of the Secured Obligations in full, applied in accordance with applicable law, including as may be necessary to pay any person holding a junior secured claim against the Collateral in full; and (iii) THIRD, to the Debtor (including the estate thereof) or any other person legally entitled to any remaining proceeds (it being understood that such persons shall not be entitled to any proceeds from the Auction unless all outstanding Secured Obligations and the other obligations set forth above are paid in full). If the sale proceeds are less than the Secured Obligations, the Secured Obligations in excess of the sale proceeds shall remain outstanding under the Notes.

In the event of any dispute arising out of or in connection with the Deposit, the Qualified Bidder Requirements, the Qualified Bidder Representation Statement or the Auction, or the solicitation and determination of the prevailing Bidder, the sole remedy of any prospective bidder, Qualified Bidder or prevailing Bidder shall be the mutual release of the Secured Party's and such Qualified Bidder's obligations under the Qualified Bidder Requirements and the Qualified Bidder Representation Statement and a return of the Deposit. No Qualified Bidder shall be entitled to, and shall not seek, any type of money damages, equitable relief, including in the form of an injunction or specific performance, or other legal or equitable remedies whatsoever. Each prospective bidder, Qualified Bidder and prevailing Bidder, for itself and on behalf of its affiliates, representatives, successors and assigns, agrees that it shall not threaten, bring, commence, or prosecute against the Secured Party, its affiliates or its and their respective employees, officers, representatives, agents, and professionals, successors and assigns any action, lawsuit, claim, or proceeding in any forum to the extent based on or arising out of the sale process and procedure, or the solicitation and determination of the prevailing Bidder. By accepting the return of the Deposit, the Qualified Bidder fully and irrevocably releases the Secured Party, its affiliates and its and their respective employees, officers, representatives, agents and professionals, successors and assigns, from any and all costs, expenses, losses, liabilities, damages, demands, actions, or causes of action arising from or related to the Qualified Bidder Requirements, the Qualified Bidder Representation Statement, the Auction or the sale or the solicitation and determination of the prevailing Bidder.

Only Qualified Bidders will be permitted to participate in the Auction. In advance of the Auction, Qualified Bidders will be provided a participant access code by the Auctioneer for participation in the bidding. Upon request, the Auctioneer shall provide any person wishing to attend the Auction with a listen-only access code.