Superseding Lease Agreement

This Superseding LEASE (the "Lease"), effective as of the date that the State of Alaska Marijuana Control Board ("MCB") approves the transfer of ownership for Marijuana Retail License Number, 10831. This Lease is entered into by and between Patricia Patterson, Current Licensee/Transferor ("Landlord") or her assigned or representative, whose address is 1009 Crow Court, Kenai, Alaska 99611 and James Browning, Transferee/Future sole shareholder of High Bush Buds, Inc., an Alaskan Corporation ("Tenant"), whose address is 36312 Irons Avenue #2, Soldotna, Alaska 99669 (the "Premises") goes into effect upon effectuation of the license transfer by the Alcohol and Marijuana Control Office (AMCO) ("Effective Date").

RECITALS

WHEREAS, Landlord currently leases the Premises subject to this Lease to High Bush Buds, Inc. for use as a licensed retail marijuana store in the State of Alaska; and

WHEREAS, Tenant and Patricia Patterson desire to transfer ownership of the corporate shares of High Bush Buds, Inc., which holds the existing and operating retail marijuana store license to Tenant; and

WHEREAS, Landlord desires to continue renting the Premise subject to this Lease to Tenant for continued use as a retail marijuana store after said transfer effectuated on the terms and the conditions set forth herein; and

WHEREAS, the parties desire for High Bush Buds, Inc. to maintain occupancy of the Premises subject to this Lease until said transfer; and

WHEREAS, Landlord and Tenant agree that the use of the property as a marijuana retail facility or establishment requires strict compliance with state and local law and that any ambiguity in the terms of the Lease must be interpreted to comply with law and preserve the health and safety of neighboring Tenants and the public at large;

NOW, THEREFORE, in consideration of the Recitals (which are incorporated into the Lease), the mutual covenants and conditions contained in this Lease, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Landlord and Tenant hereby agree as follows:

1. PREMISES. Landlord, for and in consideration of the rents, covenants and conditions hereinafter specified to be paid, performed and observed by Tenant, does hereby lease to Tenant, and Tenant does hereby lease from Landlord, the property described as follows: 36312 Irons Avenue, #2, Soldotna, Alaska 99669 (the "Premises" or the "Leased Premises").

2. OCCUPANCY. Tenant will take possession of the Leased Premises upon transfer of Retail Marijuana Store License Number 10831 from Patricia Patterson (Landlord) to Tenant and Closing of an Integrative Stock Sale between Patricia Patterson

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and Tenant ("Occupancy Date"). The current tenant, High Bush Buds, Inc., will maintain occupancy and possession of the Leased Premises until the Occupancy Date.

3. TERM. This Lease shall be for Two (2) years and shall commence on the Effective Date and end on the last full day of the month occurring two (2) years from the Effective Date (the "Initial Term"). After effectuation of the transfer the parties shall hand write the date of the transfer below and the parties shall initial the date to indicate that is the date the Term shall commence:

_____ TERM START DATE

Tenant _____ Landlord _____

4. TENANT'S OPTION TO RENEWAL. The Lease may be renewed by Tenant, provided that Tenant is in material compliance with this Lease Agreement, for one (1) additional one (1) year term with written notice provided at least six (6) months prior to the expiration of the Initial Term. Thereafter, provided that Tenant is in material compliance with this Lease Agreement and Landlord consents, Tenant shall have another option to renew this lease, for a two (2) year term. The terms of the lease renewal shall be negotiated in good faith by the parties, and mutually agreed to by both parties in writing.

5. RENT. Beginning on the Effective Date, Tenant shall pay Landlord monthly rent in the amount of $900.00 ("Rent"). Rent can be increased up to 33% annually during the Term at the sole discretion of Landlord, however, Landlord shall give Tenant two (2) weeks' notice prior to any rent increases. Rent is due on the 15th of the preceding month that the rent is due for (for clarification this means rent is due two weeks prior to the 1st of the month the rent is due for). If the rent is not paid prior to the 1st of the month that the rent is due for, then it will be considered late and subject to a 10% late fee. In the event Tenant, during the Initial Term breaks the lease at any point during the Initial Term, Tenant shall pay a liquidated damage fee equating to 24 months of the initial rent amount ($900.00). Both parties deem this reasonable as the damage and lost opportunity to the Landlord is difficult, if not impossible to ascertain.

Rent for any partial month will be calculated on a *pro rata* basis. All Rent shall be paid without prior demand or notice. All Rent shall be paid in lawful currency of the United States of America. If Rent is not paid by the end of the month that the rent is due for, Termination of the lease agreement will commence along with eviction procedures. For any renewal terms, in the event of an unpaid rent eviction, Tenant will remain liable for all monies owed to Landlord for the term of the lease agreement.

6. PAYMENTS. Tenant agrees to make all payments of Rent or any other payment owed to Landlord at Landlord's mailing address or to Landlord's agent.

7. USE. It is understood and agreed between the parties that the Tenant intends to use the property herein leased to conduct the business of a retail marijuana store under Alaska state law.

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8. UTILITIES. The Landlord shall be responsible for the following utilities: water, sewer, heating/cooling, electric and basic internet.

9. ASSIGNMENT/SUBLEASE. Tenant shall not assign, transfer, sublease, or in any other way dispose of an interest in or right under this Lease.

10. ALTERATIONS. Tenant shall not substantially alter or remodel the Premises without written consent from Landlord, which shall not be unreasonably withheld. All alterations, repairs, must comply with federal, state, and local law and any conditions imposed by Landlord. Tenant shall pay all tenant improvement and alteration costs.

11. CONDUCT OF BUSINESS. Tenant shall comply with all state and local law and all federal laws, except federal laws inconsistent with Alaska Statute 17.38. Tenant shall submit to Landlord a copy of any license upon request of Landlord.

12. MAINTENANCE AND REPAIR. Tenant shall at its own expense, maintain the Premises in a good state of repair at all times during the term of the Lease. This includes, but is not limited to: interior and exterior glass, lighting, carpeting, painted surfaces, doors and locking mechanisms. Tenant shall reasonably keep the East walkway abutting the Premises free and clean of obstructions including snow, slippery ice, debris and dust.

Landlord shall be responsible for maintenance and repairs of the roof, foundation, exterior walls and all common areas unless the damage is due to the negligence of Tenant, its agents, and employees or its operations and use of the Premises as a retail marijuana store.

13. SURRENDER OF PREMISES. At the expiration of this Lease, Tenant shall return the Premises to the Landlord in good and clean condition, reasonable wear, in broom swept condition. If Tenant made alterations, additions or improvements, Tenant shall, at its own expense, remove all alterations, additions or improvements at the termination of the Lease, unless Landlord provides otherwise in writing. Tenant shall pay for or repair any damages to the Premises caused by such removal. Upon removal of trade fixtures, appliances and equipment that are not attached to the Premises, Tenant shall restore the Premises to the same condition it was in prior to the installation of such fixtures, appliances, and equipment. Any trade fixtures, appliances, equipment or other property not removed from the Premises by Tenant upon termination of the Lease shall be deemed abandoned by Tenant.

Under no circumstances shall Landlord take into its possession or remove any abandoned marijuana or marijuana product tom the Premises. If Landlord seeks to re-enter and remove marijuana or marijuana products from the Premises, Landlord shall first contact the State of Alaska Alcohol and Marijuana Control Office, or other appropriate authority, for instructions regarding removal of such property.

14. INDEMNIFICATION. All personal property on Premises owned or in the care or the control of Tenant shall be at the risk of Tenant. Landlord shall not be liable

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for any injury or death to any person or for any loss or damage to any property or for any other loss or damage on or about Premises from any cause whatsoever. Tenant assumes liability for and agrees to indemnify, save and hold Landlord harmless from any and all claims arising out of its use of the Premises, and any operations necessary or incidental thereto, including claims for damage, death or injury to any person, persons or property arising from any act or omission of, or the use, possession or occupancy of the Premises by Tenant, its officers, employees, agents, invitees, visitors or other persons. Tenant's obligation of indemnification shall extend to and encompass costs and all attorneys' fees associated with the defense of any such claim or action. Tenant's indemnification shall survive the termination of this Lease. Tenant's liability shall not be limited to the amount of insurance coverage available under any existing policies.

Landlord assumes liability for and agrees to indemnify, save and hold Tenant harmless from any and all claims arising out any acts or admissions by Landlord's officers, employees, agents, invitees, visitors or other persons.

15. HOLDOVER. Tenant's holdover beyond the expiration of the Lease Term of Lease is prohibited. However, failure to vacate Premises at expiration of the Lease shall constitute a tenancy from month-to-month on the same terms and conditions set forth in this Lease, with month-to-month base rent equal to 150% of the base rent of the last year of the term

16. ENVIRONMENTAL REQUIRMENTS. In furtherance, and not in limitation, of the foregoing, Tenant:

A. Compliance. Must, at its own expense, comply with all laws, ordinances, regulations and administrative agency or court orders, including but not limited to those relating to health, safety, noise, environmental protection, waste disposal, Hazardous Substances, and water and air quality. "Hazardous Substances" shall be interpreted broadly to include, but not be limited to, any material or substance that is defined or classified under federal, state or local law as (1) a "hazardous substance" pursuant to §101 of the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. §9601 (14), or §311 of the Federal Water Pollution Control Act, 33 U.S.C. §1321, each as now or hereafter amended; (2) a "hazardous waste" pursuant to §1004 or §3001 of the Resource Conservation and Recovery Act, 42 U.S.C. §6903, 42 U.S.C. §691, as now or hereafter amended; (3) a "toxic pollutant" under §307(1)(a) of the Federal Water Pollution Control Act, 33 U.S.C. §1317(1)(a); (4) a "hazardous air pollutant" under §112 of the Clean Air Act, 42 U.S.C. §7412, as now or hereafter amended; (5) a "hazardous material" under the Hazardous Material Transportation Act, 49 U.S.C. §1802(2), as now, or hereafter amended; (6) toxic or hazardous substances pursuant to regulations promulgated now or hereafter under the aforementioned laws; or (7) presenting a risk to human health or the environment under other applicable federal, state or local laws, ordinances, or regulations, as now, or as may be passed or promulgated in the future. In the event any discharge, leakage, spillage, emission or pollution of any type occurs upon or from the Leased Premises during the Lease Term or any holdover thereafter, Tenant, at its own expense, must clean and restore the Leased Premises to

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the satisfaction of Landlord and any governmental body or court having jurisdiction of the matter.

B. Liability. Shall indemnify, hold harmless and defend Landlord against all liability, cost and expense (including, without limitation, any fines, penalties, clean-up costs, judgments, litigation costs and attorneys' fees) incurred by or levied against Landlord as a result of Tenant's breach of this section of the Lease, or as a result of any discharge, leakage, spillage, emission or pollution on or discharged from the Leased Premises, without regard to whether such liability, cost or expense arises during or after the Lease Term; provided, however, that Tenant shall not be required to indemnify Landlord under this section of the Lease if the parties agree or a court of competent jurisdiction determines that such liability, cost or expense is caused directly by Landlord or is attributable solely to events that occurred prior to Tenant taking possession of the Leased Premises. Tenant shall pay all amounts owed Landlord under this Lease within sixty (60) days after any such amount becomes due.

C. Notice. Shall immediately notify Landlord if Tenant becomes aware of (1) any Hazardous Substances or other environmental problem or liability with respect to the Leased Premises, or (2) any lien, action, or notice resulting from violation of any of the laws, regulations, ordinances, or other environmental laws.

17. DEFAULT. The occurrence of any of the following shall constitute a default by Tenant:

A. Failure to Pay Rent. The failure to make payment when due of any installment of the monthly base rent or of any other sum herein specified to be paid by Tenant, if such default shall not be cured by the last day of the month the rent is due for then Tenant shall be a default.

B. Failure to Perform Covenants. The failure to observe or perform any of Tenant's covenants, agreements, or obligations hereunder, other than for the payment of rent, if any such default shall not be cured within thirty (30) days after written notice has been given to Tenant, shall be a default.

18. LANDLORD'S REMEDIES ON DEFAULT. In the event of a default under Section 17, Landlord shall have the following remedies in addition to all other rights and remedies allowable by law or equity, to which Landlord, in its sole and absolute discretion, may resort cumulatively or in the alternative.

A. Recovery of Rent. Landlord shall be entitled, at Landlord's election, liquidated damages as provided in this Lease for the initial Term, and to each installment of rent or to any combination of installments for any period before termination, the remaining lease term, plus interest, and late charges.

B. Damages. Landlord shall have 60 days after Tenant vacates the Premises to identify any damages caused by Tenant. Landlord shall transmit any damages due in writing to Tenant and Tenant shall pay damages to Landlord no later than 30 days after receiving Landlord's demand for damages. If Tenant does not pay and

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Landlord is forced to seek collection efforts, Tenant shall pay Landlord's reasonable attorney fees and expenses.

C. Termination. Upon default, Landlord may, at Landlord's election, terminate this Lease by giving Tenant notice to quit. On giving the notice to quit, all Tenant's rights in the Premises shall terminate. Within 10 days after receiving notice to quit, Tenant shall surrender and vacate the Premises and all improvements in broom-clean condition, and Landlord may re-enter and take possession of the Premises and all remaining improvements. Termination under this subsection shall not relieve Tenant from the payment of any sum then due to Landlord or from any claim for damages previously occurred or then occurring against Tenant.

D. Compensation for Repair. Landlord may, at Landlord's election, require Tenant to reimburse Landlord for all damages to the Leased Premises or the building due to Tenant's business, activities, or absence.

19. VACATION AND STORAGE. If Tenant shall fail to remove any of its property of any nature whatsoever from the Premises or the Building at the termination of this Lease or after notice to quit, or when Landlord has the right of reentry, Landlord may, at its option, remove and store said property without liability for loss thereof or damage thereto, such storage to be for the account and at the expense of Tenant. If Tenant shall not pay the cost of storing any such property after it has been stored for a period of thirty (30) days or more, Landlord may, at its option, sell or permit to be sold any or all of such property at public or private sale, in such manner and at such times and places as Landlord in its sole discretion may deem proper, without notice to Tenant.

Any marijuana, as defined by AS 17.38, left on the premises will be considered forfeited by Tenant. Under no circumstances shall Tenant take possession of any such marijuana. In such event, Landlord shall contact the State of Alaska Alcohol and Marijuana Control Office, or other appropriate authority, for instructions regarding removal of the marijuana. Landlord shall then, without liability for loss thereof or damage thereto, transfer the marijuana to state or local law enforcement authorities or otherwise dispose or the marijuana pursuant to instructions from the relevant authority.

20. DAMAGE BY FIRE

A. Fire Unrelated to Tenant's Use of Premises. In the event the Premises is destroyed or damaged by a fire and that fire is not caused by or in any way related to Tenant's operation, use or lease of the Premises, Tenant or Landlord may terminate the Lease. In the event both parties elect not to terminate the Lease, the rent shall be abated until such time as the Premises is again fit for occupancy.

B. Fire Related to Tenant's Use of Premises. Landlord may immediately terminate the Lease in the event the Premises is destroyed or damaged by a fire that is caused or related to Tenant's operation, use or lease of the Premises.

C. No Waiver of Liability. Nothing in this section shall be construed to release Tenant from liability, under the Lease or otherwise, in the event loss or damage

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by fire is caused by acts or omissions or arising from acts or omissions by Tenant, their agents, employees, representatives, or patrons.

21. GENERAL. Tenant agrees to do no act and permit no act to be done that will cause any lien to be placed against the Premises or any other property owned by Landlord.

22. GOVERNING LAW. This Lease shall be governed and construed by the laws of the State of Alaska.

23. MECHANIC'S LIEN. Neither the Tenant nor anyone claiming through the Tenant shall have the right to file mechanics liens or any other kind of lien on the Premises and the filing of this Lease constitute notice that such liens are invalid. Further, Tenant agrees to (1) give actual advance notice to any contractors, subcontractors or suppliers of goods, labor, or services that such liens will not be valid, and (2) take whatever additional steps necessary in order to keep the premises free of all liens resulting from construction done by or for the Tenant.

24. ACCESS BY LANDLORD TO PREMISES. Landlord and/or its agents shall, after providing notice to Tenant twenty-four (24) hours in advance, be allowed entry by Tenant at any time to inspect the Premises or post any notifications required or permitted by law. Landlord shall have the right to enter the Premises to make inspections, provide necessary services, or show the unit to prospective buyers, mortgagees, tenants, etc. Landlord and Landlord's agents shall not interfere with Tenant's business operations. However, Landlord does not assume any liability for the care or supervision of the Premises. As provided by law, in the case of an emergency, Landlord may enter the Premises without Tenant's consent. During the last three months of this Lease, or any extension of this Lease, Landlord shall be allowed to display the usual "To Let" signs and show the Premises to prospective Tenants. Landlord acknowledges that, because the Premises is being utilized by Tenant in connection with a licensed marijuana establishment, applicable laws require that a Tenant representative be present to serve as an escort to Landlord and Landlord's agents during any entry, and such entry will be conducted pursuant to Landlord's visitor access policies. In the event of any circumstances under which Landlord seeks to enter the premises and Lessee cannot be reached or does not provide access, Landlord shall contact the State of Alaska Alcohol and Marijuana Control Office (AMCO), or other relevant government authority, prior to any access of the Premises.

25. AMENDMENTS. All amendments to this Lease or renewals shall be in writing and subscribed to by the parties hereto. The parties agree to make any amendments to the Lease that are reasonably necessary to avoid failing to satisfy the requirements of local, state, or federal guidelines regarding marijuana enforcement, as those guidelines and laws may be amended from time to time.

26. DISPUTE RESOLUTION. The parties will attempt to resolve disputes arising out of or relating to this Lease through negotiations amongst the parties. If the parties are still unable to resolve the dispute, then the parties shall engage a mutually

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agreeable mediator and equally split any mediation costs and attempt in good faith to resolve the disputes via the mediation process.

28. INSURANCE.

Tenant shall maintain, at its own cost and expense:

(a) FIRE in an amount adequate to cover the cost of replacement of all Tenant's decorations, improvements, installations, modifications, fixtures and contents in the event of fire, vandalism, malicious mischief, or other casualty generally included in coverage policies.

(b) GENERAL LIABILITY INSURANCE on an occurrence basis with minimum limits not less than $1,000,000 per occurrence and $2,000,000 aggregate, covering bodily injury or death, and property damage.

(c) WORKERS COMPENSATION INSURANCE in accordance with the laws of Alaska. Employers' Liability.

29. INSURED WAIVER, NOTICE.

The following apply to the insurance policies required under the Lease:

(a) All policies of insurance required to be carried by Tenant pursuant to this Lease shall bear an endorsement that the same shall not be cancelled except upon thirty (30) days prior written notice to the Landlord. Tenant shall provide Landlord, upon annual renewal and again at upon Landlord's request, certificates evidencing the effectiveness of the policies of insurance Tenant is required to carry under the Lease. The minimum limits of any insurance coverage required herein shall not limit Tenant's liability.

(b) Tenant is responsible for payment of premiums and no policy shall have a deductible over $5,000. All policies held by Tenant are primary and noncontributory to any policy held by Landlord.

(c) Shall contain an express waiver of any right of subrogation by the insurance company against the Landlord and Landlord's insurers.

(d) Be issued by insurance companies licensed to do business in the state of Alaska.

(e) Name Landlord shall be listed as additional insured.

(f) Be maintained during the entire Term and any extension Terms.

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30. CONSTRUCTION OF AGREEMENT. The parties mutually acknowledge that they have equally participated in the preparation and negotiation of this Agreement and have had ample opportunity to seek legal independent advice relating to this Agreement. Therefore, in cases of uncertainty, this Agreement shall be construed without regard to which of the parties caused the uncertainty to exist in the language of the Agreement.

31. ENTIRE AGREEMENT. This Lease and the attached Personal Guaranty attached hereto as Exhibit A, and hereby merged by reference and incorporated herein as if fully set out, contains the entire agreement between the parties as of this date, and supersedes all prior written or oral agreements regarding this subject matter.

EACH AND EVERY CLAUSE AND CONDITION HEREIN CONTAINED SHALL BE BINDING UPON AND INURE TO THE BENEFIT OF THE HEIRS, EXECUTORS, ADMINISTRATORS AND SUCCESSORS OF ALL THE PARTIES HERETO.

IN WITNESS WHEREOF, the parties hereto execute this Lease as of the date indicated by their respective signatures below.

LANDLORD: **Patricia Patterson**

2/1/21

Date

TENANT: **High Bush Buds, Inc.**

2/1/21

By: James Browning Date

Exhibit A - Personal Guaranty of James Browning on next immediate page.

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EXHIBIT A TO SUPERSEDING LEASE PERSONAL GUARANTY

FOR VALUE RECEIVED, and in consideration of the above lease made or granted to **High Bush Buds, Inc.** ("Tenant") by **Patricia Patterson** ("Landlord"), the undersigned, **James Browning** ("Guarantor"), does hereby conditionally guarantee the obligations of Tenant in the above Lease and all amendments thereto to Landlord. James Browning shall personally guarantee all obligations, liabilities, and responsibilities out lined in the Superseding Lease if Tenant fails to meet its obligations. All such obligations of the Guarantor shall arise immediately at such time as the obligations become due if such obligations have not been performed by Tenant and without any requirement that Landlord make demand, proceed against or otherwise attempt recovery from the Tenant prior to obtaining payment from the Guarantor.

IN WITNESS WHEREOF, Guarantor has executed this Guaranty in Kenai, Alaska on and to be effective as of the effective date of the said Lease.

Guarantor:

By: _____
Print Name: James Browning
21710 Bull Moose, Kasilof, Alaska 99610
Date 2/1/21

STATE OF ALASKA)
) ss.
THIRD JUDICIAL DISTRICT)

The foregoing Guaranty was acknowledged before me this 1st day of FEBRUARY, 2021, by _____, on his own behalf.

SUSAN ASHFORD
Notary Public
State of Alaska
My Commission Expires Jun 24, 2021

Susan Ashford
Notary Public In And For Alaska
My Commission Expires: JUNE 24, 2021

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