This Commercial Lease Agreement ("Lease") is made and effective September 1st, 2023 by and between Nanlow Park Commercial LLC("Landlord") and Essig Property Management LLC. ("Tenant").

Landlord is the owner of land and improvements commonly known and numbered as 28011 West Old Parks Highway,
Landlord desires to lease the Leased Premises to Tenant, and Tenant desires to lease the Leased Premises from Landlord for the term, at the rental and upon the covenants, conditions and provisions herein set forth.
THEREFORE, in consideration of the mutual promises herein, contained and other good and valuable consideration, it is agreed:

1. Term.

A. Landlord hereby leases the Leased Premises to Tenant, and Tenant hereby leases the same from Landlord, for an "Initial Term" beginning 9/1/2023 and ending 9/01/2024 Landlord shall use its best efforts to give Tenant possession as nearly as possible at the beginning of the Lease term. If Landlord is unable to timely provide the Leased Premises, rent shall abate for the period of delay. Tenant shall make no other claim against Landlord for any such delay.

B. Tenant may renew the Lease for one extended term of (5) Five Years Tenant shall exercise such renewal option, if at all, by giving written notice to Landlord not less than ninety (90) days prior to the expiration of the Initial Term. The renewal term shall be at the rental set forth below and otherwise upon the same covenants, conditions and provisions as provided in this Lease.

2. Rental.

A. Tenant shall pay to Landlord during the Initial Term rental of ($60,000) sixty thousand dollars per year, payable in installments of ($5000) Five-thousand dollars per month. Each installment payment shall be due in advance on the first day of each calendar month during the lease term to Landlord at PO Box 249, Willow, AK 99688 or at such other place designated by written notice from Landlord or Tenant. The rental payment amount for any partial calendar months included in the lease term shall be prorated on a daily basis. Tenant shall also pay to Landlord a "Security Deposit" in the amount of ($5,000) Five-thousand Dollars

B. The rental for any renewal lease term, if created as permitted under this Lease, shall of ($60,000) Sixty-thousand dollars per year payable in installments of ($5,000) Five-thousand dollars per month.
3. UseNotwithstanding the forgoing, Tenant shall not use the Leased Premises for the purposes of storing, manufacturing or selling any explosives, flammables or other inherently dangerous substance, chemical, thing or device. Cannabis businesses are permitted however landlord/lessor will not take possession of or remove marijuana from the premises, and AMCO will be contacted in the event

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that removal is necessary.

4. Sublease and Assignment.
Tenant shall have the right without Landlord's consent, to assign this Lease to a corporation with which Tenant may merge or consolidate, to any subsidiary of Tenant, to any corporation under common control with Tenant, or to a purchaser of substantially all of Tenant's assets. Except as set forth above, Tenant shall not sublease all or any part of the Leased Premises, or assign this Lease in whole or in part without Landlord's consent, such consent not to be unreasonably withheld or delayed.

5. Repairs.
During the Lease term, Tenant shall make, at Tenant's expense, all necessary repairs to the Leased Premises. Repairs shall include such items as routine repairs of floors, walls, ceilings, and other parts of the Leased Premises damaged or worn through normal occupancy, except for major mechanical systems or the roof, subject to the obligations of the parties otherwise set forth in this Lease.

6. Alterations and Improvements.
Tenant, at Tenant's expense, shall have the right following Landlord's consent to remodel, redecorate, and make additions, improvements and replacements of and to all or any part of the Leased Premises from time to time as Tenant may deem desirable, provided the same are made in a workmanlike manner and utilizing good quality materials. Tenant shall have the right to place and install personal property, trade fixtures, equipment and other temporary installations in and upon the Leased Premises, and fasten the same to the premises. All personal property, equipment, machinery, trade fixtures and temporary installations, whether acquired by Tenant at the commencement of the Lease term or placed or installed on the Leased Premises by Tenant thereafter, shall remain Tenant's property free and clear of any claim by Landlord. Tenant shall have the right to remove the same at any time during the term of this Lease provided that all damage to the Leased Premises caused by such removal shall be repaired by Tenant at Tenant's expense.

7. Property Taxes.
Landlord shall pay, prior to delinquency, all general real estate taxes and installments of special assessments coming due during the Lease term on the Leased Premises, and all personal property taxes with respect to Landlord's personal property, if any, on the Leased Premises. Tenant shall be responsible for paying all personal property taxes with respect to Tenant's personal property at the Leased Premises.

8. Insurance.
A. If the Leased Premises or any other part of the Building is damaged by fire or

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other casualty resulting from any act or negligence of Tenant or any of Tenant's agents, employees or invitees, rent shall not be diminished or abated while such damages are under repair, and Tenant shall be responsible for the costs of repair not covered by insurance.

B. Landlord shall maintain fire and extended coverage insurance on the Building and the Leased Premises in such amounts as Landlord shall deem appropriate. Tenant shall be responsible, at its expense, for fire and extended coverage insurance on all of its personal property, including removable trade fixtures, located in the Leased Premises.

C. Tenant and Landlord shall, each at its own expense, maintain a policy or policies of comprehensive general liability insurance with respect to the respective activities of each in the Building with the premiums thereon fully paid on or before due date, issued by and binding upon some insurance company approved by Landlord, such insurance to afford minimum protection of not less than $1,000,000 combined single limit coverage of bodily injury, property damage or combination thereof. Landlord shall be listed as an additional insured on Tenant's policy or policies of comprehensive general liability insurance, and Tenant shall provide Landlord with current Certificates of Insurance evidencing Tenant's compliance with this Paragraph. Tenant shall obtain the agreement of Tenant's insurers to notify Landlord that a policy is due to expire at least (10) days prior to such expiration. Landlord shall not be required to maintain insurance against thefts within the Leased Premises or the Building.

9. Utilities.
Tenant shall pay all charges for water, sewer, gas, electricity, telephone and other services and utilities used by Tenant on the Leased Premises during the term of this Lease unless otherwise expressly agreed in writing by Landlord. In the event that any utility or service provided to the Leased Premises is not separately metered, Landlord shall pay the amount due and separately invoice Tenant for Tenant's pro rata share of the charges. Tenant shall pay such amounts within fifteen (15) days of invoice. Tenant acknowledges that the Leased Premises are designed to provide standard office use electrical facilities and standard office lighting. Tenant shall not use any equipment or devices that utilizes excessive electrical energy or which may, in Landlord's reasonable opinion, overload the wiring or interfere with electrical services to other tenants.

10. Signs.
Following Landlord's consent, Tenant shall have the right to place on the Leased Premises, at locations selected by Tenant, any signs which are permitted by applicable zoning ordinances and private restrictions. Landlord may refuse consent to any proposed signage that is in Landlord's opinion too large, deceptive, unattractive or otherwise inconsistent with or inappropriate to the Leased Premises or use of any other tenant. Landlord shall assist and cooperate with Tenant in obtaining any necessary permission from governmental authorities

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or adjoining owners and occupants for Tenant to place or construct the foregoing signs. Tenant shall repair all damage to the Leased Premises resulting from the removal of signs installed by Tenant.

11. Entry.
Landlord shall have the right to enter upon the Leased Premises at reasonable hours to inspect the same, provided Landlord shall not thereby unreasonably interfere with Tenant's business on the Leased Premises.

12. Parking.
During the term of this Lease, Tenant shall have the non-exclusive use in common with Landlord, other tenants of the Building, their guests and invitees, of the non-reserved common automobile parking areas, driveways, and footways, subject to rules and regulations for the use thereof as prescribed from time to time by Landlord. Landlord reserves the right to designate parking areas within the Building or in reasonable proximity thereto, for Tenant and Tenant's agents and employees. Tenant shall provide Landlord with a list of all license numbers for the cars owned by Tenant, its agents and employees. Separated structured parking, if any, located about the Building is reserved for tenants of the Building who rent such parking s paces. Tenant hereby leases from Landlord All Available spaces in such structural parking area, such spaces to be on a first come-first served basis. In consideration of the leasing to Tenant of such spaces, Tenant shall pay a monthly rental of ($0) No Dollars per space throughout the term of the Lease. Such rental shall be due and payable each month without demand at the time herein set for the payment of other monthly rentals, in addition to such other rentals.

13. Building Rules.
Tenant will comply with the rules of the Building adopted and altered by Landlord from time to time and will cause all of its agents, employees, invitees and visitors to do so; all changes to such rules will be sent by Landlord to Tenant in writing. The initial rules for the Building are attached hereto as Exhibit "A" and incorporated herein for all purposes. These are the covenants of the subdivision.

14. Damage and Destruction.
Subject to Section 8 A. above, if the Leased Premises or any part thereof or any appurtenance thereto is so damaged by fire, casualty or structural defects that the same cannot be used for Tenant's purposes, then Tenant shall have the right within ninety (90) days following damage to elect by notice to Landlord to terminate this Lease as of the date of such damage. In the event of minor damage to any part of the Leased Premises, and if such damage does not render the Leased Premises unusable for Tenant's purposes, Landlord shall promptly repair such damage at the cost of the Landlord. In making the repairs called for in this paragraph, Landlord shall not be liable for any delays resulting from strikes, governmental restrictions , inability to obtain necessary materials or labor or other matters which are beyond the reasonable control of Landlord. Tenant shall

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be relieved from paying rent and other charges during any portion of the Lease term that the Leased Premises are inoperable or unfit for occupancy, or use, in whole or in part, for Tenant's purposes. Rentals and other charges paid in advance for any such periods shall be credited on the next ensuing payments, if any, but if no further payments are to be made, any such advance payments shall be refunded to Tenant. The provisions of this paragraph extend not only to the matters aforesaid, but also to any occurrence which is beyond Tenant's reasonable control and which renders the Leased Premises, or any appurtenance thereto, inoperable or unfit for occupancy or use, in whole or in part, for Tenant's purposes.

15. Default.
If default shall at any time be made by Tenant in the payment of rent when due to Landlord as herein provided, and if said default shall continue for fifteen (15) days after written notice thereof shall have been given to Tenant by Landlord, or if default shall be made in any of the other covenants or conditions to be kept, observed and performed by Tenant, and such default shall continue for thirty (30) days after notice thereof in writing to Tenant by Landlord without correction thereof then having been commenced and thereafter diligently prosecuted, Landlord may declare the term of this Lease ended and terminated by giving Tenant written notice of such intention, and if possession of the Leased Premises is not surrendered, Landlord may reenter said premises. Landlord shall have, in addition to the remedy above provided, any other right or remedy available to Landlord on account of any Tenant default, either in law or equity. Landlord shall use reasonable efforts to mitigate its damages.

16. Quiet Possession.
Landlord covenants and warrants that upon performance by Tenant of its obligations hereunder, Landlord will keep and maintain Tenant in exclusive, quiet, peaceable and undisturbed and uninterrupted possession of the Leased Premises during the term of this Lease.

17. Condemnation.
If any legally, constituted authority condemns the Building or such part thereof which shall make the Leased Premises unsuitable for leasing, this Lease shall cease when the public authority takes possession, and Landlord and Tenant shall account for rental as of that date. Such termination shall be without prejudice to the rights of either party to recover compensation from the condemning authority for any loss or damage caused by the condemnation. Neither party shall have any rights in or to any award made to the other by the condemning authority.

18. Subordination.
Tenant accepts this Lease subject and subordinate to any mortgage, deed of trust or other lien presently existing or hereafter arising upon the Leased Premises, or upon the Building and to any renewals, refinancing and extensions

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thereof, but Tenant agrees that any such mortgagee shall have the right at any time to subordinate such mortgage, deed of trust or other lien to this Lease on such terms and subject to such conditions as such mortgagee may deem appropriate in its discretion. Landlord is hereby irrevocably vested with full power and authority to subordinate this Lease to any mortgage, deed of trust or other lien now existing or hereafter placed upon the Leased Premises of the Building, and Tenant agrees upon demand to execute such further instruments subordinating this Lease or attorning to the holder of any such liens as Landlord may request. In the event that Tenant should fail to execute any instrument of subordination herein require d to be executed by Tenant promptly as requested, Tenant hereby irrevocably constitutes Landlord as its attorney-in-fact to execute such instrument in Tenant's name, place and stead, it being agreed that such power is one coupled with an interest. Tenant agrees that it will from time to time upon request by Landlord execute and deliver to such persons as Landlord shall request a statement in recordable form certifying that this Lease is unmodified and in full force and effect (or if there have been modifications, that the same is in full force and effect as so modified), stating the dates to which rent and other charges payable under this Lease have been paid, stating that Landlord is not in default hereunder (or if Tenant alleges a default stating the nature of such alleged default) and further stating such other matters as Landlord shall reasonably require.

19. Security Deposit.
The Security Deposit shall be held by Landlord without liability for interest and as security for the performance by Tenant of Tenant's covenants and obligations under this Lease, it being expressly understood that the Security Deposit shall not be considered an advance payment of rental or a measure of Landlord's damages in case of default by Tenant. Unless otherwise provided by mandatory non-waivable law or regulation, Landlord may commingle the Security Deposit with Landlord' s other funds. Landlord may, from time to time, without prejudice to any other remedy, use the Security Deposit to the extent necessary to make good any arrearages of rent or to satisfy any other covenant or obligation of Tenant hereunder. Following any such application of the Security Deposit, Tenant shall pay to Landlord on demand the amount so applied in order to restore the Security Deposit to its original amount. If Tenant is not in default at the termination of this Lease, the balance of the Security Deposit remaining after any such application shall be returned by Landlord to Tenant. If Landlord transfers its interest in the Premises during the term of this Lease, Landlord may assign the Security Deposit to the transferee and thereafter shall have no further liability for the return of such Security Deposit.

20. Notice.
Any notice required or permitted under this Lease shall be deemed sufficiently given or served if sent by United States certified mail, return receipt requested, addressed as follows:
If to Landlord to:

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Nanlow Park Commercial LLC
5804 Old Rqnch Road Park City, UT 84098

If to Tenant to:
Essig Property Management LLC, P.O Box 16214, Two Rivers, AK 99716
28011 W. Old Parks Highway, Willow AK 99688
Landlord and Tenant shall each have the right from time to time to change the place notice is to be given under this paragraph by written notice thereof to the other party.

21. Brokers.
Tenant represents that Tenant was not shown the Premises by any real estate broker or agent and that Tenant has not otherwise engaged in, any activity which could form the basis for a claim for real estate commission, brokerage fee, finder's fee or other similar charge, in connection with this Lease.

22. Waiver.
No waiver of any default of Landlord or Tenant hereunder shall be implied from any omission to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the express waiver and that only for the time and to the extent therein stated. One or more waivers by Landlord or Tenant shall not be construed as a waiver of a subsequent breach of the same covenant, term or condition.

23. Memorandum of Lease.
The parties hereto contemplate that this Lease should not and shall not be filed for record, but in lieu thereof, at the request of either party, Landlord and Tenant shall execute a Memorandum of Lease to be recorded for the purpose of giving record notice of the appropriate provisions of this Lease.

24. Headings.
The headings used in this Lease are for convenience of the parties only and shall not be considered in interpreting the meaning of any provision of this Lease.

25. Successors.
The provisions of this Lease shall extend to and be binding upon Landlord and Tenant and their respective legal representatives, successors and assigns.

26. Consent.
Landlord shall not unreasonably withhold or delay its consent with respect to any matter for which Landlord's consent is required or desirable under this Lease.

27. Performance.
If there is a default with respect to any of Landlord's covenants, warranties or representations under this Lease, and if the default continues more than fifteen

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(15) days after notice in writing from Tenant to Landlord specifying the default, Tenant may, at its option and without affecting any other remedy hereunder, cure such default and deduct the cost thereof from the next accruing installment or installments of rent payable hereunder until Tenant shall have been fully reimbursed for such expenditures, together with interest thereon at a rate equal to the lesser of twelve percent (12%) per annum or the then highest lawful rate. If this Lease terminates prior to Tenant's receiving full reimbursement, Landlord shall pay the unreimbursed balance plus accrued interest to Tenant on demand.

28. Compliance with Law.
Tenant shall comply with all laws, orders, ordinances and other public requirements now or hereafter pertaining to Tenant's use of the Leased Premises. Landlord shall comply with all laws, orders, ordinances and other public requirements now or hereafter affecting the Leased Premises.

29. Final Agreement.
This Agreement terminates and supersedes all prior understandings or agreements on the subject matter hereof. This Agreement may be modified only by a further writing that is duly executed by both parties.

30. Governing Law.
This Agreement shall be governed, construed and interpreted by, through and under the Laws of the State of Alaska.
IN WITNESS WHEREOF, the parties have executed this Lease as of the day and year first above written.

Dated the 19th day of September, 2023

9/20/23 [Landlord]
Signature

9/19/23 [Tenant]
Signature

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COMMERCIAL SUBLEASE AGREEMENT

THE PARTIES. This Sublease Agreement agreed on [when license transfer is approved] is between:

The **Sublessor** is a business entity known as Essig Property Management with a mailing address of 1244 Viewpointe Drive, Fairbanks, Alaska, 99709, hereinafter referred to as the "Sublessor."

AND

The **Sublessee** is a business entity known as HE Holdings, LLC with a mailing address of PO Box 16214, Two Rivers, AK 99716 hereinafter referred to as the "Sublessee."

The Sublessor and Sublessee hereby agree as follows:

DESCRIPTION OF SUBLEASED PREMISES. The Sublessor agrees to sublease to the Sublessee the following described suite 2 of manufacturing space located at 28011, Willow, Alaska, 99688.

Hereinafter referred to as the “Premises”.

USE OF SUBLEASED PREMISES. The Sublessor is leasing the Premises to the Sublessee and the Sublessee is hereby agreeing to sublease the Premises for The manufacturing and packaging of cannabis products.

Any change in use or purpose of the Premises other than as described above shall be upon prior written consent of Sublessor only otherwise the Sublessee will be considered in default of this Sublease Agreement.

EXCLUSIVE USE. The Sublessee shall not hold exclusive rights on the Premises. The Sublessor shall hold the rights to sublease other areas of the Property to any same or like use as the Sublessee.

TERM OF SUBLEASE. This Sublease shall commence [date of license transfer] and expire at Midnight on January 1st 2029 (“Initial Term”).

RENT AMOUNT. Payment shall be made by the Sublessee to the Sublessor in the amount of $1,500 for the Initial Term of this Sublease Agreement hereinafter referred to as the "Rent."

RENT PAYMENT. The Rent shall be paid under the following instructions:

Rent shall be paid by the Sublessee to the Sublessor on a per month basis with payment due no later than the 1st of every month.

RETURNED CHECKS (NSF). If the Sublessee attempts to pay Rent with a check that is not deemed valid by a financial institution due to non-sufficient funds, or any other reason for it to be returned, the Sublessee will be subject to a fee of $25 in addition to any late fee.

LATE FEE. The Sublessor shall not charge a late payment fee if the rent is not paid on time by the Sublessee.

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OPTION TO RENEW. The Sublessee shall have the right to renew this Agreement under the following conditions:

Sublessee shall have the right to renew this Sublease Agreement, along with any renewal period, and be required to exercise such renewal period(s) by giving written notice via certified mail to the Sublessor no less than 60 days prior to the expiration of the Initial Term or any subsequent renewal period. The Sublessee shall have a total of 1 renewal periods which will continue to abide by the same covenants, conditions and provisions as provided in this Sublease Agreement as described:

RENEWAL PERIODS

The first (1st) renewal period shall begin on January 1 2024 and end on january 1 2029 with the Rent to be paid per month with the Rent for the renewal period to be negotiated in good faith upon the Sublessee providing notice of their intention to renew.

EXPENSES. In accordance with a Gross Sublease the responsibility of the expenses shall be attributed to the following:

It is the intention of the Parties, and they hereby agree, that the above mentioned Rent is the entirety of the payment due per month and expenses payable by Sublessee to Sublessor and Sublessee is not obligated to pay any additional expenses including real estate taxes, insurance (other than on the Sublessee's personal property) liens, charges or expenses of any nature whatsoever in connection with the ownership and operation of the Premises. The Sublessor shall be obligated to maintain the general exterior structure of the Premises and, in addition, shall maintain all major systems such as the heating, plumbing and electrical, and shall maintain the parking area and shall also provide snow removal and ground maintenance of the grounds and lands surrounding the Premises, except as hereinafter set forth. The Sublessor will maintain, at their expense, casualty insurance insuring the subleased Premises against loss by fire and negligence. The Sublessee shall not have to provide or maintain personal liability or property damage insurance as a Sublessee.

UTILITIES. The Sublessor shall be responsible for the following utilities on the Premises: Internet, Electricity, Water, Gas, Telephone, and sewer

SECURITY DEPOSIT. A security deposit shall not be required in advance upon the signing of this Sublease.

FURNISHINGS. The Sublessor will provide the following furnishings to the Sublessee upon the start of this Sublease's Initial Term: All furnishings in the establishment will be provided by the landlord

PARKING. Parking shall be provided to the Sublessee in a shared manner provided on the Premises. There is no set number of parking spaces provided to the Sublessee.

There shall be no fee charged to the Sublessee for the use of the Parking Space(s).

SUBLEASEHOLD IMPROVEMENTS. The Sublessee agrees that no subleasehold improvements, alterations or changes of any nature, (except for those listed on any attached addenda) shall be made to the subleasehold Premises or the exterior of the building without first obtaining the consent of the Sublessor in writing, which consent shall not be unreasonably withheld, and thereafter, any and all subleasehold improvements made to the Premises which become affixed or attached to the subleasehold Premises shall remain the property of the Sublessor at the expiration or termination of this Sublease Agreement. Furthermore, any subleasehold improvements shall be

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made only in accordance with applicable federal, state or local codes, ordinances or regulations, having due regard for the type of construction of the building housing the subject subleasehold Premises. If the Sublessee makes any improvements to the Premises the Sublessee shall be responsible for payment, except the following:Interior lighting, flooring, painting, and exterior signs.

Nothing in the Sublease shall be construed to authorize the Sublessee or any other person acting for the Sublessee to encumber the rents of the Premises or the interest of the Sublessee in the Premises or any person under and through whom the Sublessee has acquired its interest in the Premises with a mechanic's lien or any other type of encumbrance. Under no circumstance shall the Sublessee be construed to be the agent, employee or representative of Sublessor. In the event a lien is placed against the Premises, through actions of the Sublessee, Sublessee will promptly pay the same or bond against the same and take steps immediately to have such lien removed. If the Sublessee fails to have the Lien removed, the Sublessor shall take steps to remove the lien and the Sublessee shall pay Sublessor for all expenses related to the Lien and removal thereof and shall be in default of this Sublease.

LICENSES AND PERMITS. A copy of any and all local, state or federal permits acquired by the Sublessee which are required for the use of the Premises shall be kept on-site at all times and shall be readily accessible and produced to the Sublessor and/or their agents or any local, state, or federal officials upon demand.

MAINTENANCE. The Sublessor shall be responsible for all repairs and maintenance due to normal wear and tear on the Premises. Particularly items which need immediate attention including but not limited to, the replacement of light bulbs, as well as the normal repair and cleaning of windows, cleaning of bathrooms, clearing of toilets, etc. The Sublessor shall properly maintain the premises in a good, safe and clean condition and shall properly and promptly remove all rubbish and hazardous wastes and see that the same are properly disposed of according to all local, state or federal laws, rules regulations or ordinances.

In the event the building of the subleased premises is damaged as a result of any neglect or negligence of Sublessee, his employees, agents, business invitees, or any independent contractors serving the Sublessee or in any way as a result of Sublessee's use and occupancy of the premises, then the Sublessee shall be primarily responsible for seeing that the proper claims are placed with the Sublessee's insurance company, or the damaging party's insurance company, and shall furthermore be responsible for seeing that the building is safeguarded with respect to said damage and that all proper notices with respect to said damage, are made in a timely fashion, including notice to the Sublessor, and the party or parties causing said damage.

SALE OF PROPERTY. In the event of a sale of the Premises the Sublessor shall have the right to terminate this Sublease Agreement by submitting written notice to the Sublessee. Notice shall be submitted at least 30 days.

HVAC MAINTENANCE. Sublessor will provide or engage a reputable and experienced firm for the purpose of periodically inspecting and maintaining the heating ventilating, and air conditioning equipment located on the Premises, hereinafter referred to as the "HVAC System." In addition, the Sublessor shall be responsible for all costs associated to the everyday upkeep and maintenance of said HVAC System.

COMMON AREAS. The Sublessor shall be responsible for any costs related to the maintenance and upkeep of the common areas which is defined as space used by more than one (1) of the Sublessees on the Property. Common areas, include but are not limited to, entry-ways, bathrooms,

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meeting rooms, and any other space on the Property that is shared by the Sublessees or Co-Subtenants.

INSURANCE. In the event Sublessee shall fail to obtain insurance required hereunder and fails to maintain the same in force continuously during the term, Sublessor may, but shall not be required to, obtain the same and charge the Sublessee for same as additional rent. Furthermore, Sublessee agrees not to keep upon the premises any articles or goods which may be prohibited by the standard form of fire insurance policy, and in the event the insurance rates applicable to fire and extended coverage covering the premises shall be increased by reason of any use of the premises made by Sublessee, then Sublessee shall pay to Sublessor, upon demand, such increase in insurance premium as shall be caused by said use or Sublessee's proportionate share of any such increase.

SUBLET/ASSIGNMENT. The Sublessee may not transfer or assign this Sublease, or any right or interest hereunder or sublet said subleased premises or any part thereof.

DAMAGE TO SUBLEASED PREMISES. In the event the building housing the subleased premises shall be destroyed or damaged as a result of any fire or other casualty which is not the result of the intentional acts or neglect of Sublessee and which precludes or adversely affects the Sublessee's occupancy of the subleased premises, then in every such cause, the rent herein set forth shall be abated or adjusted according to the extent to which the Premises have been rendered unfit for use and occupation by the Sublessee and until the demised premises have been put in a condition at the expense of the Sublessor, at least to the extent of the value and as nearly as possible to the condition of the premises existing immediately prior to such damage. It is understood, however, in the event of total or substantial destruction to the Premises that in no event shall the Sublessor's obligation to restore, replace or rebuild exceed an amount equal to the sum of the insurance proceeds available for reconstruction with respect to said damage.

The Sublessee shall, during the term of this Sublease, and in the renewal thereof, at its sole expense, keep the interior of the subleased premises in as good a condition and repair as it is at the date of this Sublease, reasonable wear and use excepted. This obligation would include the obligation to replace any plate glass damaged as a result of the neglect or acts of Sublessee or her guests or invitees. Furthermore, the Sublessee shall not knowingly commit nor permit to be committed any act or thing contrary to the rules and regulations prescribed from time to time by any federal, state or local authorities and shall expressly not be allowed to keep or maintain any hazardous waste materials or contaminates on the premises. Sublessee shall also be responsible for the cost, if any, which would be incurred to bring her contemplated operation and business activity into compliance with any law or regulation of a federal, state or local authority.

HAZARDOUS MATERIALS LAWS. Shall mean any and all federal, state, or local laws, ordinances, rules, decrees, orders, regulations, or court decisions relating to hazardous substances, hazardous materials, hazardous waste, toxic substances, environmental conditions on, under, or about the Premises, the Building, or the Property, or soil and ground water conditions, including, but not limited to, the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (CERCLA), the Resource Conservation and Recovery Act (RCRA), the Hazardous Materials Transportation Act, any other law or legal requirement concerning hazardous or toxic substances, and any amendments to the foregoing.

SUBLESSEE'S DEFAULT AND POSSESSION. In the event that the Sublessee shall fail to pay said rent and expenses as set forth herein, or any part thereof, when the same are due and payable, or shall otherwise be in default of any other terms of said Sublease for a period of more than 15 days, after receiving notice of said default, then the parties hereto expressly agree and covenant that the Sublessor may declare the Sublease terminated and may immediately re-enter said premises and

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take possession of the same together with any of Sublessee's personal property, equipment or fixtures left on the premises which items may be held by the Sublessor as security for the Sublessee's eventual payment and/or satisfaction of rental defaults or other defaults of Sublessee under the Sublease. It is further agreed, that if the Sublessee is in default, that the Sublessor shall be entitled to take any and all action to protect its interest in the personal property and equipment, to prevent the unauthorized removal of said property or equipment which threatened action would be deemed to constitute irreparable harm and injury to the Sublessor in violation of its security interest in said items of personal property. Furthermore, in the event of default, the Sublessor may expressly undertake all reasonable preparations and efforts to resublease the Premises including, but not limited to, the removal of all inventory, equipment or subleasehold improvements of the Sublessee's, at the Sublessee's expense, without the need to first procure an order of any court to do so, although obligated in the interim to undertake reasonable steps and procedures to safeguard the value of Sublessee's property, including the storage of the same, under reasonable terms and conditions at Sublessee's expense, and, in addition, it is understood that the Sublessor may sue the Sublessee for any damages or past rents due and owing and may undertake all and additional legal remedies then available.

SUBLESSOR'S DEFAULT. The Sublessee may send written notice to the Sublessor stating duties or obligations that have not been fulfilled under the full performance of this Sublease Agreement. If said duties or obligations have not been cured within 30 days from receiving such notice, unless the Sublessor needs to more time to cure or remedy such issue in accordance with standard industry protocol, then the Sublessor shall be in default of this Sublease Agreement.

If the Sublessor should be in default the Sublessee shall have the option to terminate this Sublease Agreement and be held harmless against any of its terms or obligations.

DISPUTES. If any dispute should arise in relation to this Sublease Agreement the Sublessor and Sublessee shall first negotiate amongst themselves in "good faith." Afterwards, if the dispute is not resolved then the Sublessor and Sublessee shall seek mediation in accordance with the laws in the State of Alaska. If the Sublessor and Sublessee fail to resolve the dispute through mediation then the American Arbitration Association shall be used in accordance with their rules. Sublessor and Sublessee agree to the binding effect of any ruling or judgment made by the American Arbitration Association.

INDEMNIFICATION. The Sublessee hereby covenants and agrees to indemnify, defend and hold the Sublessor harmless from any and all claims or liabilities which may arise from any cause whatsoever as a result of Sublessee's use and occupancy of the premises, and further shall indemnify the Sublessor for any losses which the Sublessor may suffer in connection with the Sublessee's use and occupancy or care, custody and control of the premises. The Sublessee also hereby covenants and agrees to indemnify and hold harmless the Sublessor from any and all claims or liabilities which may arise from any latent defects in the subject premises that the Sublessor is not aware of at the signing of the sublease or at any time during the sublease term.

BANKRUPTCY - INSOLVENCY. The Sublessee agrees that in the event all or a substantial portion of the Sublessee's assets are placed in the hands of a receiver or a Trustee, and such status continues for a period of 30 days, or should the Sublessee make an assignment for the benefit of creditors or be adjudicated bankrupt, or should the Sublessee institute any proceedings under the bankruptcy act or any amendment thereto, then such Sublease or interest in and to the subleased premises shall not become an asset in any such proceedings and, in such event, and in addition to any and all other remedies of the Sublessor hereunder or by law provided, it shall be lawful for the Sublessor to declare the term hereof ended and to re-enter the subleased land and take possession

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thereof and all improvements thereon and to remove all persons therefrom and the Sublessee shall have no further claim thereon.

SUBORDINATION AND ATTORNMENT. Upon request of the Sublessor, Sublessee will subordinate its rights hereunder to the lien of any mortgage now or hereafter in force against the property or any portion thereof, and to all advances made or hereafter to be made upon the security thereof, and to any ground or underlying sublease of the property provided, however, that in such case the holder of such mortgage, or the Sublessor under such Sublease shall agree that this Sublease shall not be divested or in any way affected by foreclosure, or other default proceedings under said mortgage, obligation secured thereby, or Sublease, so long as the Sublessee shall not be in default under the terms of this Sublease. Sublessee agrees that this Sublease shall remain in full force and effect notwithstanding any such default proceedings under said mortgage or obligation secured thereby.
Sublessee shall, in the event of the sale or assignment of Sublessor's interest in the building of which the Premises form a part, or in the event of any proceedings brought for the foreclosure of, or in the event of exercise of the power of sale under any mortgage made by Sublessor covering the Premises, attorn to the purchaser and recognize such purchaser as Sublessor under this Sublease.

USAGE BY SUBLESSEE. Sublessee shall comply with all rules, regulations and laws of any governmental authority with respect to use and occupancy. Sublessee shall not conduct or permit to be conducted upon the premises any business or permit any act which is contrary to or in violation of any law, rules or regulations and requirements that may be imposed by any authority or any insurance company with which the premises is insured, nor will the Sublessee allow the premises to be used in any way which will invalidate or be in conflict with any insurance policies applicable to the building. In no event shall explosives or extra hazardous materials be taken onto or retained on the premises. Furthermore, Sublessee shall not install or use any equipment that will cause undue interference with the peaceable and quiet enjoyment of the premises by other Sublessees of the building.

SIGNAGE. Sublessee shall not place on any exterior door, wall or window of the premises any sign or advertising matter without Sublessor’s prior written consent and the approval of the local municipality. Thereafter, Sublessee agrees to maintain such sign or advertising matter as first approved by Sublessor in good condition and repair. Furthermore, Sublessee shall conform to any uniform reasonable sign plan or policy that the Sublessor may introduce with respect to the building. Upon vacating the premises, Sublessee agrees to remove all signs and to repair all damages caused or resulting from such removal.

PETS. No pets shall be allowed on the premises without the prior written permission of Sublessor unless said pet is required for reasons of disability under the Americans with Disability Act.

CONDITION OF PREMISES/INSPECTION BY SUBLESSEE. The Sublessee acknowledges they have had the opportunity to inspect the Premises and acknowledges with its signature on this Sublease that the Premises are in good condition and comply in all respects with the requirements of this Sublease. The Sublessor makes no representation or warranty with respect to the condition of the premises or its fitness or availability for any particular use, and the Sublessor shall not be liable for any latent or patent defect therein. The Sublessee represents that Sublessee has inspected the premises and is leasing and will take possession of the premises with all current fixtures present in their “as is” condition as of the date hereof.

AMERICANS WITH DISABILITY ACT. Per 42 U.S. Code § 12183 if the Sublessee is using the Premises as a public accommodation (e.g. restaurants, shopping centers, office buildings) or there are more than 15 employees the Premises must provide accommodations and access to persons with

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disabilities that is equal or similar to that available to the general public. Owners, operators, Sublessors, and Sublessees of commercial properties are all responsible for ADA compliance. If the Premises is not in compliance with the Americans with Disability Act any modifications or construction will be the responsibility of the Sublessor.

RIGHT OF ENTRY. It is agreed and understood that the Sublessor and its agents shall have the complete and unencumbered right of entry to the Premises at any time or times for purposes of inspecting or showing the Premises and for the purpose of making any necessary repairs to the building or equipment as may be required of the Sublessor under the terms of this Sublease or as may be deemed necessary with respect to the inspection, maintenance or repair of the building. In accordance with State and local laws, the Sublessor shall have the right to enter the Premises without the consent of the Sublessee in the event of an emergency.

ESTOPPEL CERTIFICATE. Sublessee at any time and from time to time, upon at least ten (10) days prior notice by Sublessor, shall execute, acknowledge and deliver to Sublessor, and/or to any other person, firm or corporation specified by Sublessor, a statement certifying that the Sublease is unmodified and in full force and effect, or if the Sublease has been modified, then that the same is in full force and effect except as modified and stating the modifications, stating the dates to which the fixed rent and additional rent have been paid, and stating whether or not there exists any default by Sublessor under this Sublease and, if so, specifying each such default.

HOLDOVER PERIOD. Should the Sublessee remain in possession of the Premises after the cancellation, expiration or sooner termination of the Sublease, or any renewal thereof, without the execution of a new Sublease or addendum, such holding over in the absence of a written agreement to the contrary shall be deemed to have created and be construed to be a tenancy from month to month with the Rent to be due and payable in the same amount as the previous month, terminable upon 30 days' notice by either party.

WAIVER. Waiver by Sublessor of a default under this Sublease shall not constitute a waiver of a subsequent default of any nature.

GOVERNING LAW. This Sublease shall be governed by the laws of the State of Alaska.

NOTICES. Notices shall be addressed to the following:

Sublessee: HE Holdings, LLC
PO Box 16214 Two Rivers AK 99716

ADDITIONAL TERMS AND CONDITIONS. Regulatory Compliance Required: During any entry by Landlord or its agents on the premises, Landlord's agents or employees shall be over the age of 21 and shall comply with Subtenant's visitor policy, show government issued ID, wear a visitor badge, remain in eye sight of a designated Subtenant agent, comply with and sign into the log in sheet and sign out when leaving the premises, as is required by the Alaska Marijuana Control Board Regulations. At no time shall landlord have more than five persons enter the premises. Landlord shall not take into its possession any marijuana or marijuana product and shall contact the State of Alaska AMCO prior to any access to the license premises if Subtenant cannot be reached, abandons the property, or similar event.

AMENDMENT(S). No amendment of this Sublease shall be effective unless reduced to writing and subscribed by the parties with all the formality of the original.

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SEVERABILITY. If any term or provision of this Sublease Agreement is illegal, invalid or unenforceable, such term shall be limited to the extent necessary to make it legal and enforceable, and, if necessary, severed from this Sublease. All other terms and provisions of this Sublease Agreement shall remain in full force and effect.

BINDING EFFECT. This Sublease and any amendments thereto shall be binding upon the Sublessor and the Sublessees and/or their respective successors, heirs, assigns, executors and administrators.

SUBLESSOR SIGNATURE

Signature _____ Date 12/15/23
Haley Essig, Owner of Essig Property Management

SUBLESSEE SIGNATURE

Signature _____ Date 12/15/23
Haley Essig, Owner of HE Holdings, LLC

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