

# Alcohol & Marijuana Control Office

Initiating License Application

5/17/2021 4:58:22 PM

**License Number:** 10098**License Status:** Active-Operating**License Type:** Standard Marijuana Cultivation Facility**Doing Business As:** RASPBERRY ROOTS**Business License Number:** 1032945**Designated Licensee:** Jerry Workman**Email Address:** Jerry@raspberryyroots.com**Local Government:** Anchorage (Municipality of)**Local Government 2:****Community Council:** Taku Campbell**Latitude, Longitude:** 61.159000, -149.889000**Physical Address:** 501 Raspberry Rd  
Suites 101 & 102  
Anchorage, AK 99518  
UNITED STATES**Licensee #1****Type:** Entity**Alaska Entity Number:** 10036166**Alaska Entity Name:** Raspberry Roots, LLC**Phone Number:** 907-727-6584**Email Address:** Jerry@raspberryyroots.com**Mailing Address:** 501 Raspberry Rd  
Anchorage, AK 99518  
UNITED STATES**Entity Official #1****Type:** Individual**Name:** Kimberley Kole**SSN:** [REDACTED]**Date of Birth:** [REDACTED]**Phone Number:** 907-727-6584**Email Address:** kim@raspberryyroots.com**Mailing Address:** 501 Raspberry Road  
Anchorage, AK 99518  
UNITED STATES**Entity Official #2****Type:** Individual**Name:** Jerry Workman**SSN:** [REDACTED]**Date of Birth:** [REDACTED]**Phone Number:** 509-818-0472**Email Address:** Jerry@raspberryyroots.com**Mailing Address:** 501 Raspberry Road  
Anchorage, AK 99518  
UNITED STATES**Note:** No affiliates entered for this license.



Alaska Marijuana Control Board

## Form MJ-20: Renewal Application Certifications

### What is this form?

This renewal application certifications form is required for all marijuana establishment license renewal applications. Each person signing an application for a marijuana establishment license must declare that he/she has read and is familiar with AS 17.38 and 3 AAC 306. A person other than a licensee may not have direct or indirect financial interest (as defined in 3 AAC 306.015(e)(1)) in the business for which a marijuana establishment license is issued, per 3 AAC 306.015(a).

This form must be completed and submitted to AMCO's main office by each licensee (as defined in 3 AAC 306.020(b)(2)) before any license renewal application will be considered complete.

### Section 1 – Establishment Information

Enter information for the licensed establishment, as identified on the license application.

Licensee:	Raspberry Roots, LLC	License Number:	10098		
License Type:	Standard Marijuana Cultivation Facility				
Doing Business As:	Raspberry Roots				
Premises Address:	501 Raspberry Road, Suite 101 & 102				
City:	Anchorage	State:	Alaska	ZIP:	99518

### Section 2 – Individual Information

Enter information for the individual licensee who is completing this form.

Name:	Jerry Workman
Title:	Managing Member

### Section 3 – Violations & Charges

Read each line below, and then sign your initials in the box to the right of any applicable statements:

Initials

I certify that I have **not** been convicted of any criminal charge in the previous two calendar years.

*Jaw*

I certify that I have **not** committed any civil violation of AS 04, AS 17.38, or 3 AAC 306 in the previous two calendar years.

*Jaw*

I certify that a notice of violation has **not** been issued to this license between July 1, 2020 and June 30, 2021.

*Jaw*

Sign your initials to the following statement only if you are unable to certify one or more of the above statements:

Initials

I have attached a written explanation for why I cannot certify one or more of the above statements, which includes the type of violation or offense, as required under 3 AAC 306.035(b).

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**Form MJ-20: Renewal Application Certifications****Section 4 – Certifications & Waiver****Read each line below, and then sign your initials in the box to the right of each statement:**

Initials

I certify that no person other than a licensee listed on my marijuana establishment license renewal application has a direct or indirect financial interest, as defined in 3 AAC 306.015(e)(1), in the business for which the marijuana establishment license has been issued.

I certify that I meet the residency requirement under AS 43.23 or I have submitted a residency exception affidavit (MJ-20a) along with this application.

I certify that this establishment complies with any applicable health, fire, safety, or tax statute, ordinance, regulation, or other law in the state.

I certify that the license is operated in accordance with the operating plan currently approved by the Marijuana Control Board.

I certify that I am operating in compliance with the Alaska Department of Labor and Workforce Development's laws and requirements pertaining to employees.

I certify that I have not violated any restrictions pertaining to this particular license type, and that this license has not been operated in violation of a condition or restriction imposed by the Marijuana Control Board.

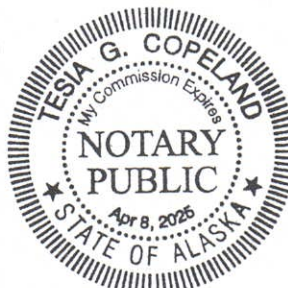
I certify that I understand that providing a false statement on this form, the online application, or any other form provided by or to AMCO is grounds for rejection or denial of this application or revocation of any license issued.

I, Jerry Workman, hereby waive my confidentiality rights under AS 43.05.230(a) and authorize the State of Alaska, Department of Revenue to disclose any and all tax information regarding this marijuana license to the Alcohol and Marijuana Control Office (AMCO) upon formal request as part of any official investigation as long as I hold, solely, or together with other parties, this marijuana license.

As an applicant for a marijuana establishment license renewal, I declare under penalty of unsworn falsification that I have read and am familiar with AS 17.38 and 3 AAC 306, and that this application, including all accompanying schedules and statements, is true, correct, and complete. I agree to provide all information required by the Marijuana Control Board in support of this application and understand that failure to do so by any deadline given to me by AMCO staff may result in additional fees or expiration of this license.

Jerry Workman  
Signature of licensee

Jerry Workman  
Printed name of licensee



[Signature]  
Notary Public in and for the State of Alaska

My commission expires: APRIL 8, 2025

Subscribed and sworn to before me this 19 day of MAY, 2021.



## Alaska Marijuana Control Board

**Form MJ-20: Renewal Application Certifications****What is this form?**

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License Type:	Standard Marijuana Cultivation Facility		
Doing Business As:	Raspberry Roots		
Premises Address:	501 Raspberry Road, Suite 101 & 102		
City:	Anchorage	State:	Alaska
		ZIP:	99518

**Section 2 – Individual Information**

Enter information for the individual licensee who is completing this form.

Name:	Kimberley Kole
Title:	Managing Member

**Section 3 – Violations & Charges**

Read each line below, and then sign your initials in the box to the right of any applicable statements:

Initials

I certify that I have **not** been convicted of any criminal charge in the previous two calendar years.

I certify that I have **not** committed any civil violation of AS 04, AS 17.38, or 3 AAC 306 in the previous two calendar years.

I certify that a notice of violation has **not** been issued to this license between July 1, 2020 and June 30, 2021.

Sign your initials to the following statement only if you are unable to certify one or more of the above statements:

Initials

I have attached a written explanation for why I cannot certify one or more of the above statements, which includes the type of violation or offense, as required under 3 AAC 306.035(b).



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Read each line below, and then sign your initials in the box to the right of each statement:

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I certify that I am operating in compliance with the Alaska Department of Labor and Workforce Development's laws and requirements pertaining to employees.

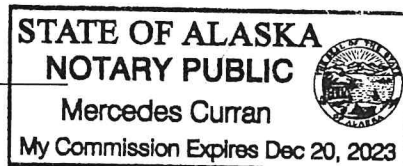
I certify that I have not violated any restrictions pertaining to this particular license type, and that this license has not been operated in violation of a condition or restriction imposed by the Marijuana Control Board.

I certify that I understand that providing a false statement on this form, the online application, or any other form provided by or to AMCO is grounds for rejection or denial of this application or revocation of any license issued.

I, Kimberley Kole, hereby waive my confidentiality rights under AS 43.05.230(a) and authorize the State of Alaska, Department of Revenue to disclose any and all tax information regarding this marijuana license to the Alcohol and Marijuana Control Office (AMCO) upon formal request as part of any official investigation as long as I hold, solely, or together with other parties, this marijuana license.

As an applicant for a marijuana establishment license renewal, I declare under penalty of unsworn falsification that I have read and am familiar with AS 17.38 and 3 AAC 306, and that this application, including all accompanying schedules and statements, is true, correct, and complete. I agree to provide all information required by the Marijuana Control Board in support of this application and understand that failure to do so by any deadline given to me by AMCO staff may result in additional fees or expiration of this license.

Signature of licensee



Notary Public in and for the State of Alaska

Kimberley Kole  
Printed name of licensee

My commission expires: 12/20/2023

Subscribed and sworn to before me this 18th day of May, 2021

## WAREHOUSE SPACE LEASE

AGREEMENT OF SPACE LEASE, (hereafter, "Space Lease,"), made this 24<sup>th</sup>, day of March 2016 between: BUILD, LLC, (hereafter, "Landlord"), and OLEANDER, INC., (hereafter, "Tenant"), of Space Lease as described in Section 1.01.

The Property: 501 Raspberry Road, Suite 101 & 102, Anchorage, Alaska 99518  
Legal Description: Raspberry Industrial Park Blk 2 Lt 4

Landlord owns a building and surrounding property on the above-described real property and Tenant desires to lease space within such building and surrounding property, (hereafter, "Premises"), from Landlord under the terms and conditions herein contained.

NOW, THEREFORE IT IS AGREED:

### ARTICLE I SPACE LEASE

#### Section 1.01 DESCRIPTION OF SPACE LEASE

Landlord hereby leases to Tenant, and Tenant leases from Landlord, approximately 13,855 square feet of rentable retail/warehouse/mezzanine space, as depicted on the attached Marketing Brochure provided by Landlord to Tenant and attached hereto and incorporated by reference into this Space Lease as Exhibit "A", and associated parking area, as depicted on the attached diagram provided by Landlord to Tenant and attached hereto and incorporated by reference into this Space Lease as Exhibit "B", and access to a mutually shared Loading Dock.

#### Section 1.02 CONDITION OF PREMISES

Landlord shall install separate metering systems for all utilities servicing the Premises. Other than the improvements specifically identified in this Space Lease, Tenant shall accept the leased space "as-is."

#### Section 1.03 SERVICES FURNISHED BY THE LANDLORD

Landlord shall furnish and pay all costs for:

1. Real Property Taxes.
2. Building Insurance.
3. The purchase of and installation of separate utility metering systems for the Premises.
4. Maintaining the roof and overall structure of the Premises.

Landlord shall not be liable for damages or otherwise for failure, stoppage or interruption of any services or utilities unless Landlord is the proximate cause for such failure, stoppage or interruption.

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**Section 1.04 SERVICES FURNISHED BY THE TENANT**

Tenant shall be responsible for:

1. Installation and monthly service fees for Telephone services, Internet / Cable services, and all other required services at the Space Lease.
2. Regular maintenance of operating equipment (plumbing, mechanical and electrical, including replacement of bulbs/ballasts) within and at the Space Lease.
3. Personal property and liability insurance for the Space Lease.
4. Snow removal in the southern parking lot of the Premises.
5. Separately metered utilities, i.e., gas, electricity, water and etc. used within and at the Premises.

**Section 1.05 QUIET ENJOYMENT**

(A) Tenant, upon paying for rents and performing all of the terms and covenants on its part to be performed, shall peacefully and quietly enjoy the Premises under the terms of this Space Lease.

(B) Landlord shall have the right to enter the Premises during reasonable business hours, with a prior 24 hour notice to Tenant, for the purposes of providing maintenance or inspecting the Premises. However, due to the nature of the business that will be conducted at the Premises, the integral regulatory scheme governing such business type, Tenant must first approve Landlord's request to enter, and Landlord must ensure that any person it sends as its agent for purposes of maintaining or inspecting the Premises must be 21 years of age, have a valid government issued identification, agree to signing in on the company's visitor log and produce identification to Tenant or Tenant's agent, and stay within the eyesight of Tenant or Tenant's agent as required by the State of Alaska's marijuana control board regulations.

(C) Landlord, and all of Landlord's agents and representatives, which enter the Premises for any reason whatsoever, including the aforementioned reasons of maintenance and/or inspection, shall agree to a confidentially agreement to not discuss with anyone outside of the Premises, except the Landlord, any and all activity they witness or overhear in regards to the cultivation or manufacturing of marijuana, the equipment being used or the operational design within the Premises.

**Section 1.06 CONTROL OF COMMON AREAS**

The common area about the Premises (the exterior parking lot) shall be subject to the control and management of the Landlord. Landlord shall have the right, after good faith discussions and considerations of Tenant's concerns due to its need for parking for its retail facility, to construct, maintain and operate lighting and other improvements in all said areas; to police the same; to change the area, level, location and arrangement for parking areas and other facilities, provided Tenant shall have the same amount of parking area available after said changes and provided that such changes do not materially and negatively alter Tenant's business. Nothing contained in this Section 1.06 shall be misconstrued as limiting or alternating Tenant's exclusive right to 17 parking spaces

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identified on the attached Exhibit "B", which is hereby incorporated by reference into this Space Lease.

#### Section 1.07 SIGNAGE

All signage shall be approved by the Municipality of Anchorage and with prior written permission from Landlord. This permission shall not be unreasonably withheld and signage requests shall be responded to within 48 hours of Tenant requesting signage approval from Landlord.

#### Section 1.08 PARKING

Tenant has the exclusive rights to 17 parking spaces identified on the attached Exhibit "B", which is hereby incorporated by reference into this Space Lease.

### ARTICLE II TERM

#### Section 2.01 LENGTH OF TERM

(A) The term of this Space Lease shall be for ten (10) years following the Commencement Of Term, unless sooner terminated or extended as herein provided.

(B) Tenant shall be allowed to terminate this Space Lease at the end of the first five (5) year period. Tenant shall notify Landlord in writing before November 2020 of their intention to terminate this Space Lease. If terminated, Tenant shall pay one (1) additional month's rent for May 2021. Upon inspecting the Space Lease Premises, Landlord will return Tenant's Security Deposit less any reasonably appropriate wear and tear damages assessed by Landlord. If the Tenant wishes to continue this Space Lease for the 2nd five (5) year period, no action is required on the part of the Tenant.

(C) Early Termination of Space Lease: Tenant shall have the option to terminate this Space Lease, and be released from all obligations, responsibilities and provisions herein if the State of Alaska and/or other controlling license authorities do not approve Tenant's application for a Marijuana Cultivation License. Tenant will have fifteen (15) business days, from the date in which the State of Alaska and/or other controlling license authorities provide Tenant with written notice of approval or denial on Tenant's aforementioned application, to terminate or verify Tenant's approval to continue with this Space Lease. If Tenant chooses to exercise this option to terminate, Tenant shall forfeit any rents paid and owed as well as their Security Deposit.

#### Section 2.02 OPTION TO PURCHASE

Tenant shall have the right to exercise an Option to Purchase the entire building and surrounding property (i.e., not just the Premises identified in this Space Lease) on an annual anniversary basis. During the first five (5) years of this Space Lease, beginning on the Commencement Of Term date of April 1, 2016 and ending March 31, 2021. Should Tenant exercise their Option To Purchase, an MAI appraiser shall be selected by a 3<sup>rd</sup> party, and the appraised value shall be set as the purchase price. This purchase price is to be no less than \$1,900,000.00 and no more than \$2,300,000.00. During the second

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five (5) years of this Space Lease, beginning with the 6<sup>th</sup> year, or April 1, 2021 through March 31, 2026, should Tenant exercise their option to purchase the building, the low cap of \$1,900,000.00 shall remain in effect, but the high cap of \$2,300,000.00 shall be removed and the appraised value shall be set as the purchase price. Tenant shall provide a minimum of ninety (90) days advanced written notice if they choose to exercise their Option To Purchase the entire building and surrounding property.

#### Section 2.03 COMMENCEMENT OF TERM

The term of this Space Lease shall commence on April 1, 2016.

#### Section 2.04 HOLD OVER

If the Tenant shall hold over after the expiration date of this Space Lease term, such tenancy shall be from month to month and subject to all the terms, covenants and conditions of this Space Lease, except that the rent for each hold over month or thereof will be one hundred fifty percent (150%) of the monthly rental provided herein for the last month of the term of this Space Lease.

#### Section 2.05 SURRENDER OF POSSESSION

Upon expiration or on the sooner termination of this Space Lease, Tenant shall peacefully and quietly leave, surrender and yield to Landlord all and singular the Premises, broom clean, in good order and repair, ordinary wear and tear excepted, together with all alteration, additions and fixed improvements which have been made upon the Premises, except personal property or moveable trade fixtures put in at the expense of the Tenant. If the last day of the term of this Space Lease falls on Sunday, this Space Lease shall expire on the business day immediately following. Tenant, on or before said date, shall remove all such property from the Premises. Tenant shall indemnify Landlord against loss or liability resulting from such delay by Tenant, including without limitations any claims made by any succeeding Tenant founded on such delay.

#### Section 2.06 POSSESSION

Landlord shall give possession of the Premises on the Commencement Of Term date as so stated in this Space Lease to the Tenant. If Landlord is unable to give possession of the Premises on the date herein fixed for the Commencement Of Term, this Space Lease and all its provisions, including the date herein fixed for expiration of the Space Lease, shall nevertheless continue in full force and effect, and Tenant's monthly Base Rent for that month shall be pro-rated to reflect the delay of delivery of the Premises. Tenant's remedies are the following:

- a. The Commencement Of Term date and expiration date shall be extended in accordance with the actual date of Tenant's occupancy.
- b. In the event said occupancy is delayed by Landlord's inability to provide said Premises for Tenant, beyond thirty (30) days from the anticipated Commencement Of Term, Tenant shall have the right to terminate this Space Lease in its entirety. In such event, Landlord shall return all and

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any Base Rent and/or Security Deposit payments to Tenant and neither Tenant nor Landlord shall have any liability to the other.

- c. It is acknowledged and accepted by Tenant that Landlord may be unable to complete all Landlord's provided improvements by the occupancy date. Tenant, at Tenant's option, may agree to accept such condition and allow Landlord to complete by or on a mutually agreeable date.

### ARTICLE III BASE RENT

#### Section 3.01 COVENANT TO PAY BASE RENT

Tenant covenants to and shall pay to Landlord at:

BUILD, LLC  
P.O. Box 110409  
Anchorage, Alaska 99511

Or Tenant may directly deposit payments into a bank account of Landlord's designation.

Or at such other place as Landlord may designate, in advance, on the first day of each calendar month during the term hereof, the Base Rent payment due each month shall be as follows:

Period	Base Rent Monthly Payment
Year 1: 4/01/2016 - 3/31/2017	\$ 14,000.00
Year 2: 4/01/2017 - 3/31/2018	\$ 14,250.00
Year 3: 4/01/2018 - 3/31/2019	\$ 14,500.00
Year 4: 4/01/2019 - 3/31/2020	\$ 14,750.00
Year 5: 4/01/2020 - 3/31/2021	\$ 15,000.00
Year 6: 4/01/2021 - 3/31/2022	\$ 15,300.00
Year 7: 4/01/2022 - 3/31/2023	\$ 15,606.00
Year 8: 4/01/2023 - 3/31/2024	\$ 15,918.12
Year 9: 4/01/2024 - 3/31/2025	\$ 16,236.48
Year 10: 4/01/2025 - 3/31/2026	\$ 16,561.21

#### Section 3.02 INCREASE IN REAL PROPERTY TAXES OVER BASE YEAR:

Tenant agrees to pay a pro-rata share of any increases in Real Property Taxes over the base year of 2016. Any increase shall be on a pro-rated basis of Tenant's square footage of occupancy. Total building area according to the Anchorage Municipality tax bill is 19,040 square feet. Tenant's pro-rata portion of any increase shall be 70.59% ( $13,440/19,040 = 0.705882$ ).

#### Section 3.03 CURRENCY / CASH PAYMENTS FOR BASE RENT

Due to the nature of Tenant's business as stated in the hereinafter Section 4.01 Use of Premises, the business may from time to time ask the Landlord to except cash

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money as payment for the monthly Base Rent. The Tenant's business is mostly a cash business and current banking entities restrict the amount of cash money the business may deposit in a bank checking account.

#### Section 3.04 SECURITY DEPOSIT

Upon execution of this Space Lease, Tenant shall deposit with Landlord the sum of \$ 15,000.00 as a Security Deposit for the full and faithful performance by Tenant of each and every term, provision, covenant and condition of this Space Lease.

Landlord may use, apply or retain the whole or any part of the Security Deposit so deposited for the payment of any Base Rent in default or for any other sum, which Landlord may expend or be required to expend by reason of Tenant's default.

In the event Tenant shall fully and faithfully comply with all of the terms, provisions, covenants and conditions of this Lease, the Security Deposit, or any balance thereof, shall be returned to Tenant within thirty (30) days after the time fixed as the expiration of the Space Lease and after the removal of Tenant and the surrender of the Premises to the possession of the Landlord. Tenant shall not be entitled to any interest on such Security Deposit.

In the absence of evidence satisfactory to Landlord of an assignment of the right to receive the Security Deposit, or the remaining balance thereof, Landlord may return the Security Deposit to the original Tenant, regardless of one or more assignments of Tenants in this Space Lease.

#### Section 3.05 LATE CHARGE ON UNPAID RENT

A late charge of five percent (5%) of any Base Rent (see Section 3.01 for Base Rent Monthly Payments), or any other sum due to the Landlord hereunder, shall be assessed by the Landlord against the Tenant and applied to each and every payment not received at the designated place of payment on or before the fifteenth (15th) day following the date when such payment is due.

#### Section 3.06 SERVICE CHARGE ON PAST DUE AMOUNTS

If the Tenant fails to pay any Base Rent, or any other sum due to the Landlord when the same is due and payable hereunder, any and all such unpaid amounts shall bear interest 30 days from the date due to the date of payment at twelve percent (12%) per annum or 1.0% per month.

### ARTICLE IV USE OF PREMISES

#### Section 4.01 USE OF PREMISES

Tenant shall use the Premises for marijuana cultivation, marijuana product manufacturing, a marijuana retail store, and marijuana wholesale distribution. A marijuana retail store and wholesale distribution includes, but without limitation, marijuana paraphernalia, branded clothing, accessories and related merchandise.

All operations shall be appropriately licensed by the State of Alaska, and shall follow all rules and regulations set forth by the State and the Municipality of Anchorage.

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**Section 4.02 COMPLIANCE WITH LAWS**

Tenant shall comply with all applicable laws, ordinances and regulations of duly constituted public authorities now elected or hereafter amended in any manner affecting the Space Lease, whether or not any such law, ordinance or regulation which may be hereafter enacted involves a change of policy on the part of the governmental body enacting as the same. Tenant further agrees it will not permit any unlawful occupation, business or trade to be conducted on said Premises or any use to be made thereof contrary to any such state law, local ordinance or local and state regulation.

**Section 4.03 RULES AND REGULATIONS OF BUILDING**

(A) As a condition of this Space Lease, Tenant shall comply with all reasonable rules and regulations promulgated by Landlord from time to time for all tenants in the building and surrounding property; however, no rule or regulation that causes a material and adverse impact on Tenant's business shall apply to Tenant.

(B) The proposed use of the Premises is to operate as a state licensed marijuana establishment. In the event Tenant, despite its best efforts, is unable to obtain a state license and local use permit approvals, Tenant shall, at Tenant's election, be released from the terms and obligations of this Space Lease, but shall forfeit its Security Deposit and any months of Base Rent already paid to the Landlord as of the date Tenant determines it is unable to obtain or operate under appropriate licenses and permits.

(C) In the event there are changes in the laws, that make the business of Tenant illegal or not feasible to engage in, Tenant shall be released from the terms and obligations of this Lease.

**ARTICLE V  
MAINTENANCE, REPAIR, ALTERATIONS**

**Section 5.01 COVENANT TO MAINTAIN AND REPAIR**

(A) Tenant shall, during the term of this Space Lease and any renewal extension thereof, at its sole expense, keep the interior of the Premises in good order and repair as it was on the date of actual delivery of possession of the Premises, reasonable wear and tear and damages by accidental fire or other casualty excepted, and be responsible for all day to day janitorial and light bulb and fluorescent tube replacement services and the associated expense. Tenant shall be responsible for the maintenance of all the above ground plumbing fixtures and plumbing lines, mechanical features, and electrical conduits that are specifically used within Tenant's Premises and not in the common areas of the building and surrounding property.

(B) Landlord during the term of this Space Lease and any renewal or extension thereof shall keep the structural supports and exterior walls of the Premises in good order and repair. Within the common areas of the building and surrounding property, the Landlord shall maintain and repair the below ground plumbing structures, plumbing fixtures and plumbing lines, mechanical features and mechanical features Tenant does not have access to, electrical conduit, equipment for the general supply

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of hot and cold water, heating, cooling, ventilation and electricity, except that the Tenant shall be responsible for any and all repairs to the above list as a result of alternations or damages thereto by Tenant, its employees, customers, servants, agents, licensees or invitees.

#### Section 5.02 ALTERATIONS, ADDITIONS

(A) Tenant agrees that they:

1. Shall not cut or drill or otherwise deface or injure the exterior of the building without the Landlord's prior written consent, which such consent shall not be unreasonably withheld or delayed;

2. Shall not obstruct or permit the obstruction of any light or skylight in or upon the building, or the adjoining sidewalk or street, or the entrance, or any other part of the building to the exclusive use of which Tenant is not entitled; nothing in this Section 5.02 (A) (2.) is meant to restrict Tenant's ability to obstruct light or skylight in Tenant's interior space of the Premises;

3. Shall comply with all reasonable regulations of Landlord designated to promote the safety or good order of the building, as long as said regulations do not have a materially adverse impact on Tenant's business;

4. Shall not, with the exception of improvements, alterations, and additions that are necessary to comply with the State and local rules and regulations and to effectuate the agreed upon use of the Premises for purposes of cultivation of marijuana, manufacturing of marijuana products, and retail sales (i.e., light fixtures, security systems, ventilation improvements, etc.), without the Landlord's prior written consent obtained in each instance, make any alteration, additions, or improvements in or about the Premises. Tenant has the discretion to make improvements, alterations, and additions necessary to comply with State and local rules and regulations and to operate in and on the Premises for Tenant's intended purposes.

5. Shall, without the Landlord's prior written consent obtained in each instance, make any alterations or additions to the (i) electrical wiring, (ii) plumbing, heating or ventilating equipment, appliances, or systems, (iii) water, sewer or gas lines, equipment, appliances or systems, (iv) water mains or pipes to supply water for refrigeration or ventilating apparatus, or, (v) other equipment, machinery, apparatus, or installation in or about the Premises. Tenant will, upon Landlord's written request, provide the Landlord with periodic updates on the physical changes it has made or plans on making to the Premises.

(B) Landlord agrees and acknowledges that the Tenant:

1. Has fully disclosed their intended USE OF PREMISES in Section 4.01 of this Space Lease.

2. Will be conducting standard and proprietary marijuana industry business operations, including cultivation, manufacturing and all things

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related that are of a very proprietary nature and provides the Tenant with a competitive advantage over other marijuana establishments.

3. Will be creating, designing, building, installing and purchasing the entire gamut of Tenant improvements, alterations and additions to the Premises at their own expense. The Tenant requires the freedom to fully manage the Space Lease, including the Premises on the Tenant's own terms.

#### Section 5.03 PROHIBITION OF LIENS

Tenant and Landlord shall not do or suffer anything to be done causing the Space Lease and/or Premises to be encumbered by liens of any nature, notes and/or mortgages and shall whenever and as often as any lien is recorded against said property, purporting to be for labor or materials furnished or to be furnished to the Tenant or Landlord, discharge the same of record within thirty (30) days after the date of filing.

#### Section 5.04 NOTICE OF NON-RESPONSIBILITY

Notice is hereby given that Landlord shall not be liable for any labor or materials furnished or to be furnished to Tenant on credit, and that no lien of any nature or type shall attach to or affect the reservation or other estate of Landlord in and to the Premises herein demised. At least seven (7) days before commencement of any work that is or may be the subject of a lien for work done or materials furnished to the Premises, Tenant shall notify Landlord in writing thereof, to allow Landlord, if it desires, to post and record notices of non-responsibility or to take any other steps Landlord deems appropriate to protect its interests.

### ARTICLE VI ASSIGNMENT AND SUBLETTING

#### Section 6.01 ASSIGNMENT AND SUBLETTING

Tenant shall not assign, mortgage or encumber this Space Lease, in whole or in part, or sublet all or any part of the Premises without prior written consent of Landlord. Such consent by Landlord shall not be unreasonably withheld or delayed. An exception to the foregoing statement allows the Tenant to sublease the Premises without prior approval from Landlord to a sublessor whom is operating in conjunction with and/or under a contractual management agreement with Tenant, whereas Tenant will be providing the operational management oversight. Tenant shall provide Landlord written notice if it elects to utilize this right. The consent by Landlord to any assignment or subletting shall not constitute a waiver of the necessity for such consent to any subsequent assignment or subletting. If this Space Lease is assigned or if the Premises or any part thereof is occupied by anyone other than the Tenant, Landlord may collect Base Rent from the assignee or occupant, and apply the net amount collected to the Base Rent herein reserved, but no such assignment, under letting, occupancy or collection shall be deemed a waiver of this provision or the acceptance of the assignee, under tenant or occupant as Tenant, or as a release of Tenant from the further performance to the provisions on its part to be observed or performed herein. Notwithstanding and assignment or sublease, Tenant shall remain fully liable and shall not be released from

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performing any of the terms, covenants and conditions of this Space Lease. Any assignment, hypothecation or sublease of this Space Lease, or any part thereof, whether by operation of law or otherwise, except as explicitly allowed for in this Section 6.01, without the written consent of Landlord, shall be avoidable at the option of Landlord.

## ARTICLE VII INSURANCE AND INDEMNITY

### Section 7.01 INDEMNIFICATION OF LANDLORD

(A) Tenant shall indemnify, defend and save Landlord harmless for all suits, demands, claims, actions, damages, liability and penalties, judgments, awards, interest, cost and expenses, including all reasonable and actual attorney's fees incurred in connection with loss of life, bodily or personal injury or property damage arising from or out of any occurrence in, upon, said Premises.

(B) In no event shall Landlord be liable to Tenant for any injury to any person or damage to anything in or about the Premises unless such loss, damage or injury is caused by the negligence of the Landlord. None of the agents or employees of the Landlord shall be responsible for any of the liabilities, obligations or agreements of Landlord under this Space Lease.

### Section 7.02 INSURANCE

Tenant shall maintain insurance coverage at its own cost and expense. The following coverage requirement and conditions shall apply:

(A) Physical Damage Insurance in an amount adequate to cover the full cost of all decorations, fixtures, contents and improvements in the Premises, as referenced in the Space Lease, in the event of fire, vandalism, malicious mischief, or other casualty generally included in extended coverage policies.

(B) General Comprehensive Liability Insurance with single limits coverage in an amount of two million (\$2,000,000) for personal injury, property damage and third party liability.

(C) Such insurance may not be canceled or amended without thirty (30) days written notice by certified or registered mail to Landlord by the insurance company.

(D) Landlord will not be entitled to be paid from or for any insurance claims filed solely by Tenant, for Tenant's losses, and paid by the Insurer to Tenant. Landlord will only be entitled to any insurance claims/proceeds for damages directly to the Landlord's fixtures or the Premises itself.

(E) Landlord shall be named as an additional insured on such insurance policy for Premises insurance, but not on ancillary product insurance Tenant may or may not secure. At Landlord's option and request, Tenant shall deliver the original policy of all such insurance to Landlord within fifteen (15) days of receipt of such request.

(F) Tenant shall be solely responsible for payment of premiums for all such insurance policies.

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(G) Tenant shall provide Landlord with a certificate of insurance providing for the above requirements after the Space Lease is executed, and before occupancy of the Premises by Tenant.

#### Section 7.03 NOTIFICATION

Tenant shall give prompt notice to Landlord in case of fire, accidents, or defects in any fixtures or equipment in or on or about the Premises that are owned by the Landlord at the time Tenant takes possession of the Premises, as referenced in the Space Lease.

### ARTICLE VIII CASUALTIES, DESTRUCTION

#### Section 8.01 RESTORATION, ABATEMENT

If all or any part of the Premises, as referenced in this Space Lease, is damaged or destroyed by fire or other casualty insured under Landlord's standard fire insurance policy Landlord shall repair the same with reasonable dispatch out of the insurance proceeds received from the insurer. In any event, regardless of timing of payment from the insurance policy or whether said insurance policy will cover the damage, Landlord will pay for and use its best efforts to complete the repairs necessary to allow Tenant to continue its use of the Premises as soon as possible.

If fire or other casualties damage the Premises, as referenced in this Space Lease, or any parts thereof, to such an extent that makes the use of the Premises impracticable, the Base Rent shall be abated. If, due to fault or failure of Tenant, and Tenant fails to adjust its own insurance claim within a reasonable time, and as a result thereof the repair and restoration is delayed, there shall be no abatement of Base Rent during the period of such resulting delay, or if the fire or damage to said Premises is caused by carelessness, negligence or improper conduct of Tenant, then notwithstanding such damage or destruction, Tenant shall be liable for the Base Rent during the unexpired period, without an abatement.

#### Section 8.02 TERMINATION OF LEASE UPON CASUALTY

In the event of damage to or destruction of or to the Premises, as referenced in this Space Lease, by fire or other casualty, Landlord shall use its best efforts to commence repairs and/or restoration as soon as possible, but in any event the Landlord shall have repaired and/or restored all such damage and/or destruction back to the original condition, as of the date Tenant first took possession of the Premises, within ninety (90) days from the date the damage or destruction occurred.

If the Landlord fails to complete all the repairs and/or restoration to the damage and/or destruction contemplated herein within ninety (90) days, but has commenced with the repairs within ninety (90) days and is proceeding with diligence and continuity, Tenant may, at Tenant's sole discretion, by written notice, allow a thirty (30) day extension for the Landlord to complete the repairs and/or restoration as described herein.

If Tenant, in its discretion, does not provide the Landlord an extension of time to complete the repairs and/or restorations, or if the Tenant provides the Landlord a thirty

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(30) day extension and the Landlord does not complete the repairs and/or restorations within the thirty (30) day extension period, the Tenant may, by written notice, terminate this Space Lease on the date specified in such notice, and be entitled to the return of the full Security Deposit, as if that date had been originally fixed as the expiration date of the term herein of the Space Lease, provided such early termination date be less than one hundred fifty (150) days after the event of damage and/or destruction as contemplated herein.

#### Section 8.03 EXEMPTION OF LIABILITY

Landlord shall not, with the exception of the obligations and responsibilities detailed in Sections 8.01, 8.02, and the obligations and responsibilities of any other term, provision, covenant and/or condition of this Space Lease, be liable for any loss of business arising from damage to or destruction of the Premises, as referenced in this Space Lease, unless such damage, destruction or loss is a direct result of Landlord's negligence.

### ARTICLE IX EMINENT DOMAIN

#### Section 9.01 GENERAL

If the whole or part of the Premises, as referenced in this Space Lease, shall be taken for any public or quasi-public use, under any statute, or by right of eminent domain, or private purchase in lieu thereof by a public body vested with the power of eminent domain, then at such time as possession shall be taken thereunder of this Space Lease, or any part thereof, the following provisions described in Sections 9.02 and 9.04 shall be operative.

#### Section 9.02 TAKING OF ALL PREMISES

If all of the Premises, as referenced in this Space Lease, is taken by eminent domain, the term herein Space Lease and all rights of Tenant hereunder shall immediately cease and terminate, and the Base Rent shall be adjusted as of the time of such termination so that Tenant shall have paid Base Rent up to the time of taking. The Tenant shall be entitled to the return of the full Security Deposit amount.

#### Section 9.03 TAKING OF SUBSTANTIAL PART OF PREMISES

If the taking by eminent domain reduces the area of the Premises, as referenced in this Space Lease, which materially affects the use being made by the Tenant of the Space Lease, Tenant shall have the right by written notice to Landlord, no later than thirty (30) days after possession is taken, to elect to, terminate this Space Lease.

(A) If such election to terminate this Space Lease is made by Tenant, the provisions for the taking of the whole shall govern, or:

(B) If such election to terminate is not made, this Space Lease shall continue and Landlord shall be entitled to the condemnation proceeds and the Base Rent shall be reduced in the same proportion that the rentable square footage of the Premises, as

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referenced in this Space Lease, taken bears to the rentable square footage of the Premises originally leased, and the Landlord shall, upon receipt of the award in condemnation make all necessary repairs or alterations to the Premises in which the Space Lease is located so as to constitute the portion of the building not taken a completed architectural unit. In any event, Landlord shall make the necessary repairs to the Premises, as referenced in this Space Lease, in a manner and condition whereby Tenant can reasonably conduct its business from within the Premises.

## ARTICLE X DEFAULT AND REMEDIES

### Section 10.01 DEFAULT OF TENANT

Each of the following, but not limited thereto, shall be deemed a default by Tenant and a breach of this Space Lease:

(A) A failure in the payment of the monthly Base Rent for a period of two (2) consecutive months shall be considered a material breach and default under the terms of this Space Lease.

(B) A failure in the performance of any covenant or conditions on the part of Tenant to be performed, for a period of sixty (60) days after the service of notice thereof by Landlord, provided, however, that no default on the part of Tenant shall be deemed to exist as the result of failure to complete said covenant or conditions, if said covenant or conditions are modified before the end of such sixty (60) day period, or Tenant has begun to rectify the same, and thereafter prosecutes the curing thereof to completion with diligence and continuity.

(C) The filing of a case, by or against Tenant, for any relief under the Federal Bankruptcy Code 1978, as now or hereafter amended or supplemented, or its successor, or the filing of any case by or against Tenant under any future bankruptcy act for the same or similar relief.

(D) The dissolution, or the commencement of any action or proceeding for the dissolution or for liquidation, of Tenant, whether instituted by or against Tenant, or for the appointment of a receiver or trustee of the property of Tenant.

(E) The taking possession of the property of Tenant by any governmental office or agency to statutory authority for the dissolution or liquidation of Tenant.

(F) The making by Tenant of a general assignment for the benefit of creditors.

(G) The vacation or abandonment of the Premises, as referenced in the Space Lease, by Tenant for a period exceeding forty (40) consecutive days.

### Section 10.02 REMEDIES OF LANDLORD

In the event of any default of Tenant as above provided, Landlord shall have the following rights or remedies, in addition to any rights or remedies that may be given to Landlord by statute, law or otherwise:

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(A) To immediately re-enter and re-let the Premises, as referenced in the Space Lease, in Landlord's name, at such price and on such terms as Landlord in its sole and absolute discretion deem fit, subject to any obligations Landlord may have to mitigate Tenant's damages.

(B) In the event of a material breach by Tenant that results in a default as identified in Section 10.01, Tenant shall remain liable to pay Landlord, and shall promptly pay Landlord:

- (1) All past due rent,
- (2) The present value, computed at a discount rate of six percent (6%) per annum, of all future rents which Tenant will owe Landlord under this Lease, and
- (3) All direct and indirect costs, fees and damages incurred or suffered by Landlord as a direct and foreseeable result of such default, including without limitation, all legal costs and actual attorney's fees.

## ARTICLE XI GENERAL PROVISIONS

### Section 11.01 WAIVER OF BREACH

No failure by either Landlord or Tenant to insist upon strict performance by the other of any covenant, agreement, term or condition of this Space Lease, or to exercise any right or remedies consequent upon breach thereof, shall constitute a waiver of any such breach or of such covenant, agreement, term or condition. No waiver of any breach shall affect or alter this Space Lease but each and every covenant, condition, agreement and term of this Space Lease shall continue in full force and effect with respect to any other then existing or subsequent breach.

### Section 11.02 ENTIRE AGREEMENT DISCLOSURES

(A) This agreement supersedes all other prior agreements and understanding between the Parties and may not be changed or terminated orally. No change, termination or attempted waiver of any of the provisions hereof shall be binding unless in writing and signed by the Parties against whom the same is sought to be enforced.

(B) If any provision of this Space Lease, the deletion of which would not be adversely affect the receipt of any material benefit by either Party, shall be held unenforceable or invalid to any extent, the remaining provisions shall not be affected and shall be valid and enforceable.

### Section 11.03 CONSTRUCTION OF LEASE

Words of any gender used in this Space Lease shall be held to include any other gender and words of the singular number shall be held to include the plural when the sense requires.

### Section 11.04 NOTICES

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Any notices or demand which under the terms of this Space Lease or any statute must be given or made by the Parties hereto, shall be in writing and given or made by mailing the same by registered or certified mail address to the other Party as follows:

Landlord: **BUILD, LLC**  
P.O. Box 110409  
Anchorage, AK 99511

Tenant: **Oleander Inc.**  
3003 Minnesota Drive  
Suite 201  
Anchorage, Alaska 99503

Tenant's Counsel: **Jana D. Weltzin**  
JDW, LLC  
3003 Minnesota Drive  
Suite 201  
Anchorage, Alaska 99503  
jana@jdwccounsel.com

Either Party may, however designate in writing such new or other address to which such notice or demand shall thereafter be given, made or mailed. Any notice given hereunder by mail shall be deemed delivered when deposited in the United States mail at any general branch post office, and mailed by registered or certified prepaid mail.

#### Section 11.05 HAZARDOUS MATERIALS

Tenant shall keep the Premises, as referenced in the Space Lease, free of any and all hazardous materials. Tenant shall neither release upon the Premises nor cause nor permit the Premises to be used to manufacture, process, transport, store, handle or dispose of hazardous materials except in compliance with all applicable laws and other governmental requirements. For purposes of this Space Lease, the term "Hazardous Material" shall not be interpreted to include the following compounds / chemicals / materials: CO<sub>2</sub>, hydrogen peroxide, bleach, butane, 100% proof alcohol, plant nutrients and pesticides allowed under Alaska State Law, flushing compounds, and other materials, chemicals and compounds that are generally used in the commercial marijuana cultivation and manufacturing general business practices. Tenant shall defend, indemnify and hold harmless Landlord and all of its affiliated parties against any claims, costs and liabilities related to the presence of hazardous materials claimed to have been released by the Tenant or for the claimed breaches by Tenant of any law or governmental requirement concerning the presence or release of hazardous materials. The term "hazardous materials" includes without limitation: flammable explosives, radioactive materials and hazardous and toxic substances as defined in any state and local law regulation.

#### Section 11.06 ESTOPPEL CERTIFICATE

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Tenant shall at any time and from time to time upon not less than twenty (20) days prior request by Landlord, provide a statement in writing certifying that this Space Lease is in full force and effect and if modified, stating the modification and the dates to which the Base Rent(s) and any other charges have been paid in advance. It is intended that any prospective purchaser, assignee or encumbrance of the Premises may rely upon such statement delivered pursuant to this Section 11.06.

#### Section 11.07 EXCUSE FOR NON-PERFORMANCE

Either party hereto shall be excused from performing any or all of its obligations hereunder with respect to any repair work required under the terms of this Space Lease for such times the performance of such obligations is prevented or delayed by an act of God, floods, explosion, war, invasion, insurrection, riot, mob violence, sabotage, inability to procure labor, equipment, facilities, materials or supplies in the open market, failure of transportation, strikes, lockouts, actions by labor unions, or laws or order of governmental agencies, or any other cause whether similar or dissimilar to the foregoing which is not within the reasonable control of such Party.

#### Section 11.08 BROKERS

Bruce A. Chambers, broker with Chambers Commercial Real Estate represents the Landlord in this transaction. Eric J. Sobolik, licensee with Chambers Commercial Real Estate represents the Tenant. Landlord agrees to pay a commission based on the Listing Agreement signed with Chambers Commercial Real Estate. Both Tenant and Landlord acknowledge this information and acknowledge receipt of the Alaska Real Estate Consumer Pamphlet.

#### Section 11.09 EXCLUSIVE JURISDICTION / VENUE

In the event that a question, dispute or requirement for interpretation or construction should arise with respect to this Space Lease, jurisdiction and venue therefore shall lie exclusively with the courts of the Third Judicial District for the State of Alaska, at Anchorage, Alaska, unless a non-appealable federal or Alaska state law should require the contrary.

#### Section 11.10 TIME OF ESSENCE

Time is of the essence of each and every provision hereof.

#### Section 11.11 BINDING EFFECT

This Space Lease shall be binding upon and insure to the benefit of the parties hereto, their legal representatives, successors and assigns.

#### Section 11.12 LIMITATION OF LANDLORD'S LIABILITY

The obligations of Landlord under this Space Lease do not constitute personal obligations of Landlord or its owners, trustees, directors, and officers.

#### Section 11.13 EFFECTIVE DATE

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BY: \_\_\_\_\_

BUILD, LLC

501 Raspberry Rd

IN WITNESS WHEREOF, the parties have executed this Space Lease the day and year set opposite their respective signatures.

Landlord: BUILD, LLC

By: Larry O Taylor Date: March 24, 2016  
Larry Taylor  
Its: Managing Member and Authorized Representative

Tenant: Oleander, Inc.

By: Jerry A Workman Date: Mar 24, 2016  
Jerry A Workman  
Its: CEO

Personal Guarantor: Jerry A Workman

By: Jerry A Workman Date: Mar 24, 2016  
Jerry A Workman

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**LEASE GUARANTY**

The undersigned ("Guarantor") in consideration of and in order to induce BUILD, LLC ("Landlord") to enter into the attached Space Lease ("Lease") with OLEANDER, INC. ("Tenant") does/do each hereby jointly and severally unconditionally guarantee to Landlord and Landlord's heirs, successors and assigns the payment of Base Rent and the performance of all obligations under the terms and provisions of the Lease, including payment of damages for any breach of the Lease, and any liability of Tenant accruing under the Lease for the term of the Lease and for any damages resulting in Tenant's nonperformance of the Lease (collectively, the "Lease obligations"). Each Guarantor's obligation under this Guaranty shall extend through the term of the Lease, and any renewals, extensions or holdovers thereof, and shall be binding upon Guarantor's successors and assigns

Whether or not any existing relationship between the Guarantor and Tenant has been changed or ended and whether or not this Guaranty has been revoked, Landlord may, but shall not be obligated to, enter into transactions resulting in the modification, creation or continuance of the Lease Obligations, without any consent or approval by Guarantor and without any notice to Guarantor. The liability of Guarantor shall not be affected or impaired by any of the following acts or things (which Landlord is expressly authorized to do, omit or suffer from time to time, both before and after revocation of this Guaranty): (i) any one or more extensions or renewals of the Lease Obligations (whether or not for longer than the original period) or any modification of the contractual terms applicable to the Lease Obligations; (ii) any waiver or indulgence granted to Tenant, any delay or lack of diligence in the enforcement of the Lease Obligations, or any failure to institute proceedings, file a claim, give any required notices or otherwise protect any other person liable in respect of any of the Lease Obligations; (iii) the assertion by Landlord of any right or remedy available under the Lease, including without limitation the termination thereof; (iv) any full or partial release of, settlement with, or agreement not to sue, Tenant or any other guarantor or other person liable in respect of any of the Lease Obligations; or (v) any release or discharge of Tenant in any creditors, receivership, bankruptcy or other proceeding; the impairment, limitation or modification of any liability of Tenant or remedy against Tenant in any such proceeding; or the rejection, disaffirmance, disallowance or the like of the Lease or this Guaranty in any such proceeding.

Guarantor will not exercise or enforce any right to contribution reimbursement, recourse or subrogation available to Guarantor against any person liable for payment of the Lease Obligations, or as to any collateral Security therefore, unless and until all of the Lease Obligations, shall have been fully paid and discharged.

Landlord:

Larry O FoyleDate: March 24, 2016

Tenant:

Jerry A WorkmanDate: Mar 24, 2016

Guarantor:

Jerry A WorkmanDate: Mar 24, 2016

**RECEIVED** Page 1 of 1  
JUN 10 2016

BY: \_\_\_\_\_

**For  
LEASE**

1st Floor Office \$1.25/SF  
2nd Floor Office \$0.65/SF  
Warehouse (102) \$1.25/SF

Zoning: I-1 High Industrial

1st Floor Retail/Office 3,776 SF  
2nd Floor Office 3,980 SF  
Warehouse (102) 5,165 SF  
Mezzanine 954 SF  
Total 13,855 SF

Overhead Doors:

One at 10' x 8' on at 10'9" x 9'9"

Dock High Door: One at 10' x 8'

Ceiling Height: Peak roof in main warehouse is 25'10", peak roof in back warehouse is 15'

Features: 3-phase electric

MLS# 15-4339



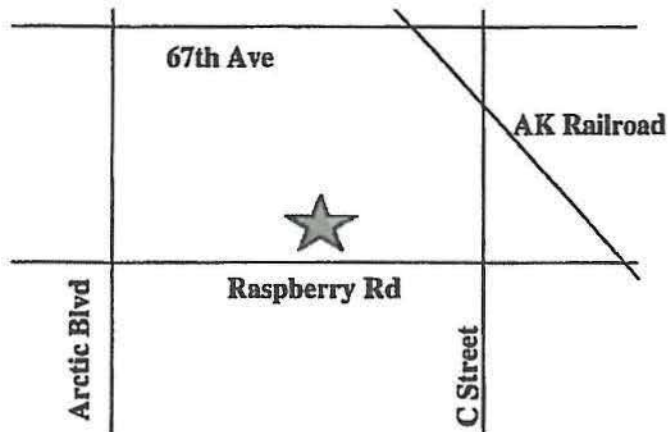
**CHAMBERS**  
Commercial Real Estate

**Space Lease  
Exhibit "A"**

*For Lease Midtown Warehouse/Shop  
13.855 SF Retail, Warehouse, and Office Building*



*501 Raspberry Road*



**CHAMBERS**

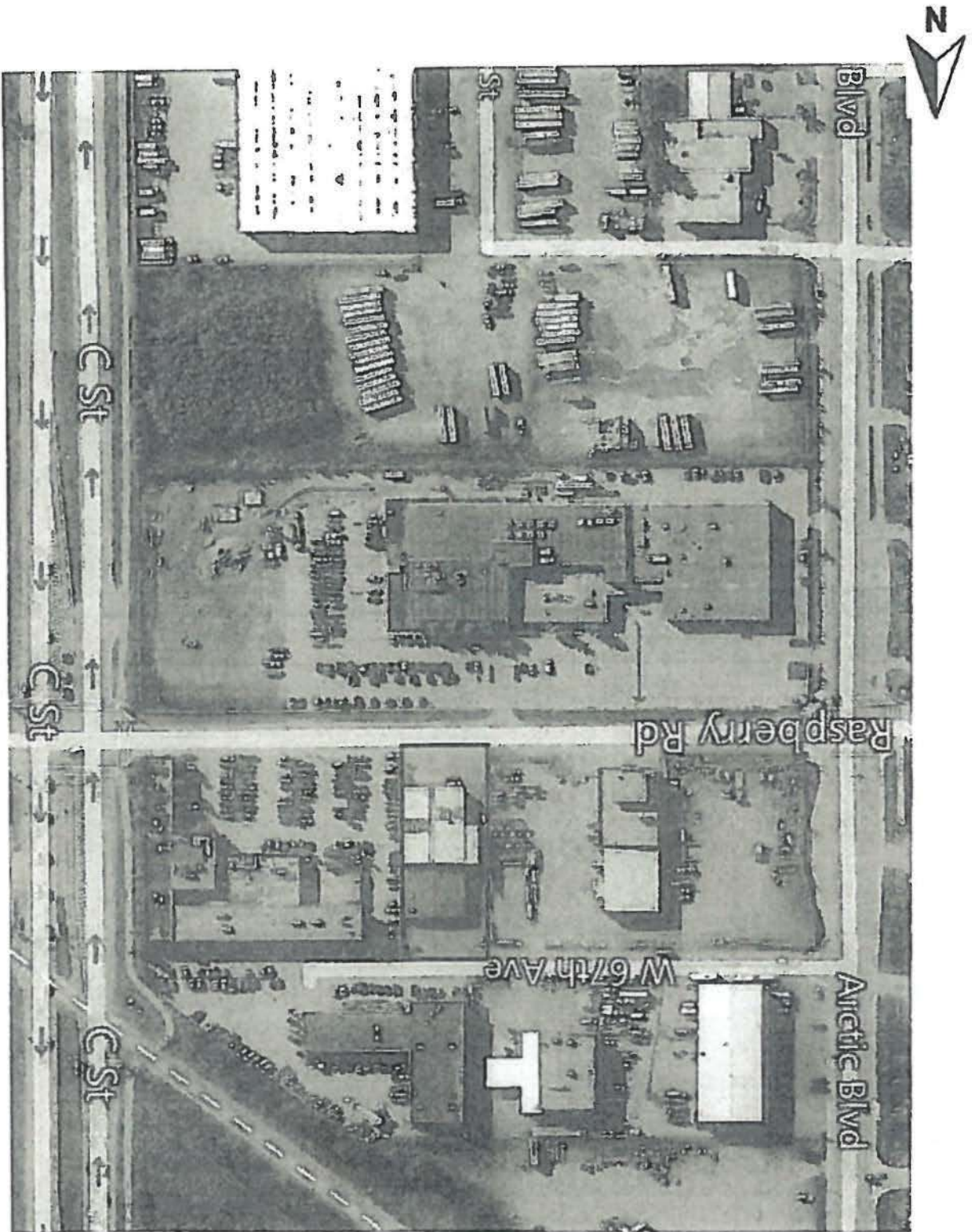
Commercial Real Estate  
2600 Denali Street, Suite 711  
Anchorage, Alaska 99503

Please call to arrange a private viewing Eric J Sobolik, Licensee 907-565-5665 email: ericsobolik@gmail.com

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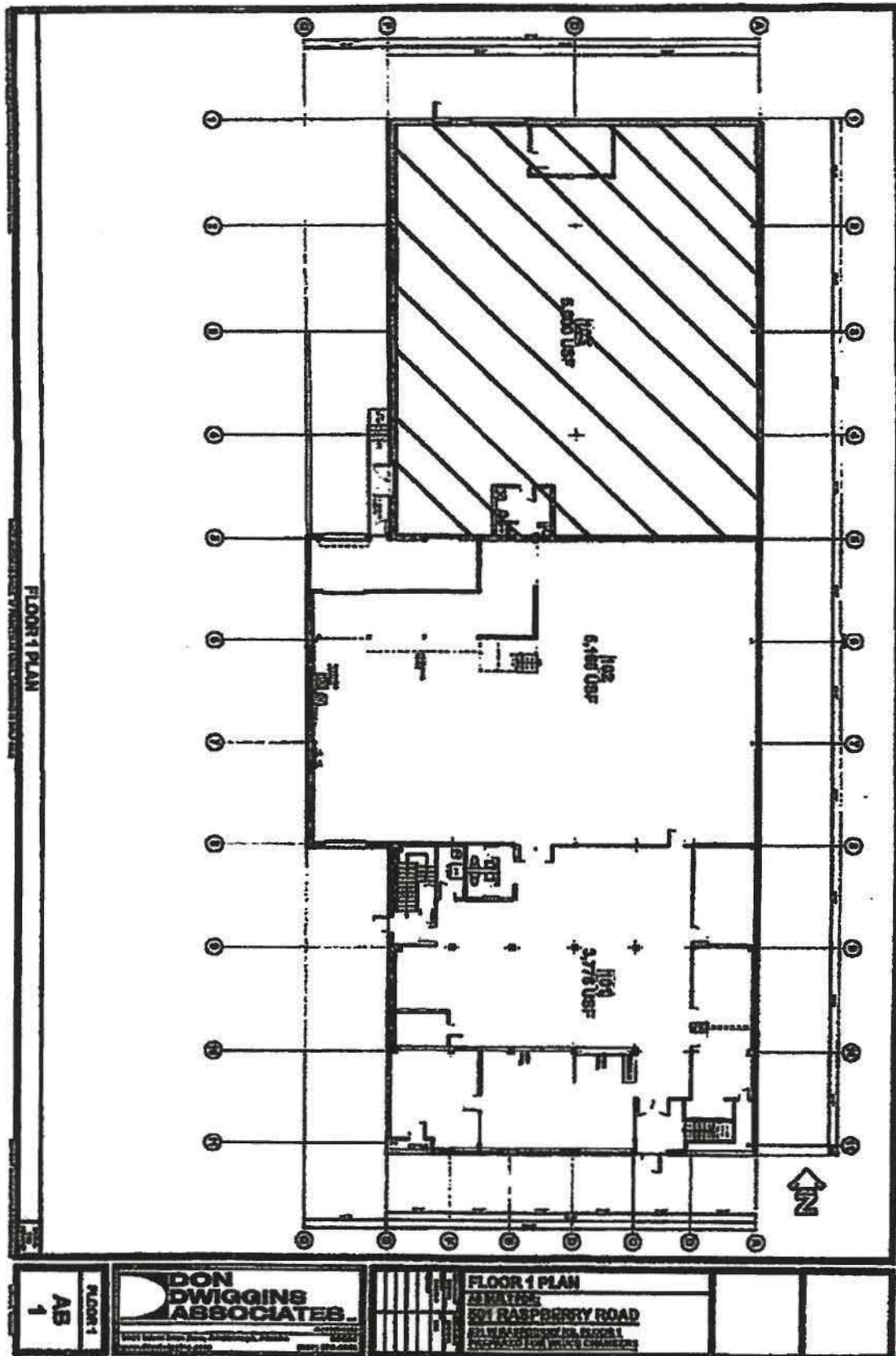




501 Raspberry Road  
Anchorage, AK

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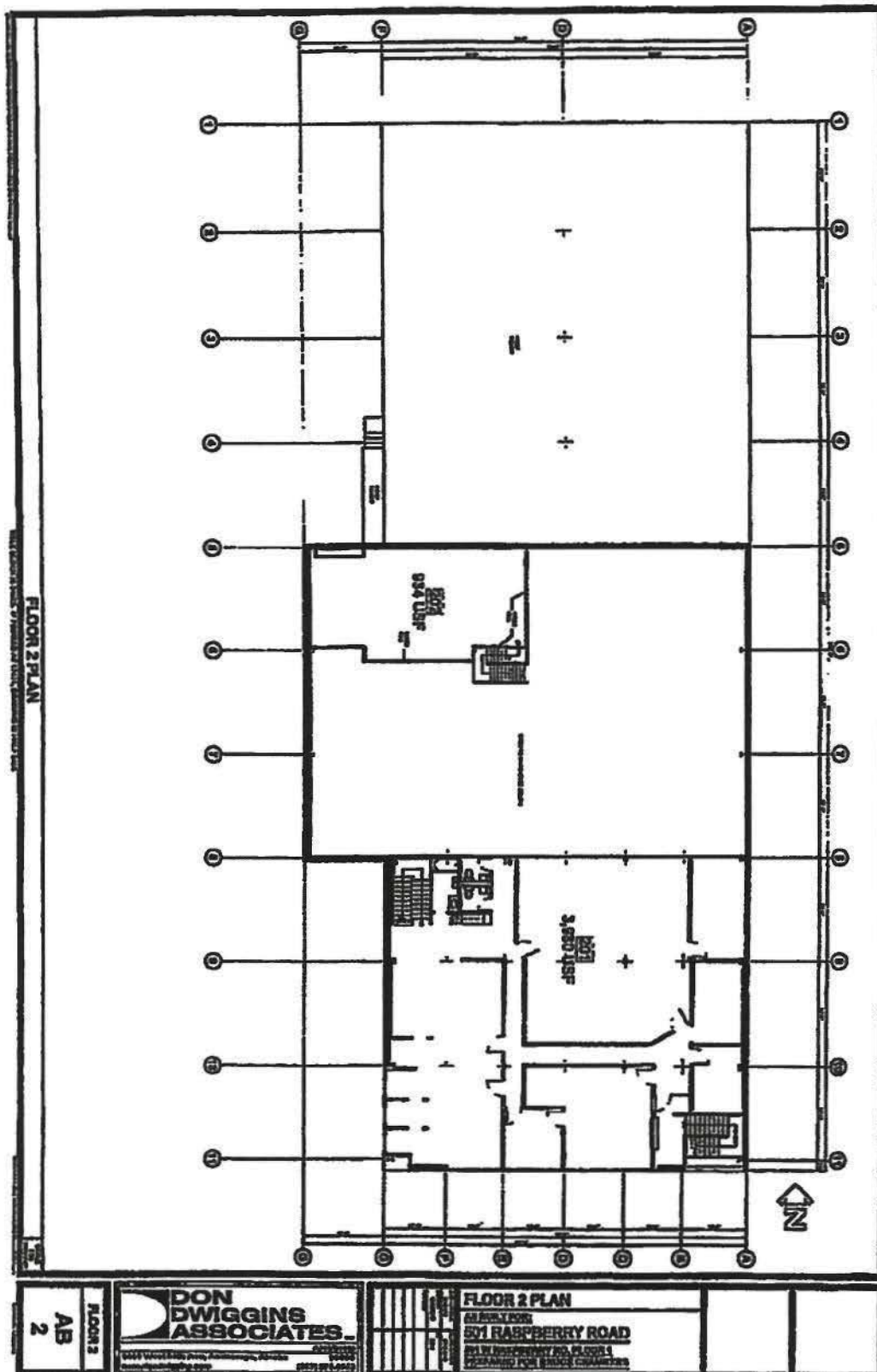
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## ALASKA REAL ESTATE COMMISSION CONSUMER PAMPHLET

### About This Pamphlet:

*In Alaska, a Real Estate Licensee is required by law to provide this pamphlet outlining the duties of a real estate licensee. After you have read the information contained in this pamphlet, please acknowledge receipt by signing page 1 and return it to the real estate licensee who provided it to you. Your cooperation is appreciated.*

There are four different types of relationships established by Alaska Real Estate Law:

- **Specific Assistance** – Licensee owes "Duties owed by a Licensee in all Relationships" as described in this pamphlet.
- **Representation** – Licensee owes "Duties Owed by a Licensee when Representing a Party" as described in this pamphlet.
- **Designated Licensee** – This occurs when a Licensee represents or provides specific assistance to a party to a transaction and another Licensee within the same company represents or provides specific assistance to the other party in the same transaction.
- **Neutral Licensee** – This occurs when a Licensee does not represent either party but provides specific assistance to both parties in the same transaction. The parties must authorize the Neutral Licensee relationship by signing the "Waiver of Right to be Represented" form.

### Duties owed by a Licensee in all Relationships:

- Exercise reasonable skill and care;
- Deal honestly and fairly;
- Present all written communications in a timely manner;
- Disclose all material information regarding the physical condition of a property;
- Account for all money and property received.

### Duties owed by a Licensee when Representing a Party:

- Duties owed by Licensee in all relationships listed above;
- Not knowingly do anything that is adverse or detrimental to your interests;
- Disclose all conflicts of interests to you in a timely manner;
- If a matter is outside their area of expertise, advise you to seek expert advice;
- Not disclose confidential information, even after the relationship ends, from or about you without written permission, except under a subpoena or court order;
- Make a good faith and continuous effort to accomplish your real estate goals. However, once you have entered into a specific real estate transaction agreement, their efforts refocus on its successful completion.

Your Real Estate Licensee may also work with a variety of other clients (they represent) and customers (they provide specific assistance to) in different working relationships. In those situations, representing or providing specific assistance to other sellers, buyers, lessors, and lessees does not create a conflict of interest while working with you, or within the duties mentioned above.

Occasionally, as a Seller or Lessor, a situation may arise that your Real Estate Licensee also is representing another client (Buyer or Lessee) who then becomes interested in your property – or vice versa.

Prior to showing the property, the Real Estate Licensee must obtain a written approval to be a Neutral Licensee for both parties. A Licensee may not show property as a neutral licensee without obtaining your written consent entitled "Waiver of Right to Be Represented" and it will restate the duties outlined above and additional ones owed by your Real Estate Licensee. Alaska real estate law allows, but does not require, you to Preauthorize a Licensee to be a "Neutral Licensee." Having a different designated Licensee working for a seller or lessor and for the buyer or lessee in the same real estate transaction does not create dual agency or a conflict of interest for the real estate broker or for a Licensee employed by the same real estate broker.

**THIS DISCLOSURE PAMPHLET IS NOT A CONTRACT**



**Duties NOT owed by a Real Estate Licensee**

Unless agreed in writing otherwise, the following are the duties your Real Estate Licensee does not owe to you:

- To conduct an independent investigation of a property
- To conduct an independent investigation of anyone's finances
- To independently verify the accuracy or completeness of a statement made by a party to a real estate transaction or by a person reasonably believed by the licensee to be reliable
- To show or search for properties without compensation

**THIS DISCLOSURE PAMPHLET IS NOT A CONTRACT.**

The Licensee anticipates compensation to be paid by \_\_\_\_\_ buyer/lessee, \_\_\_\_\_ seller/lessor, or \_\_\_\_\_ both to the real estate brokers in the real estate transaction.

I understand and acknowledge receiving and reading this pamphlet on the type of relationships I may have with the real estate Licensee (including the broker).

I understand and acknowledge that \_\_\_\_\_ (Licensee) of \_\_\_\_\_

\_\_\_\_\_ (company) will be working with me under the following relationship:

- \_\_\_\_\_ Specific Assistance without Representation
- \_\_\_\_\_ Representing the Seller/Lessor only (may assist Buyer/Lessee)
- \_\_\_\_\_ Representing the Buyer/Lessee only (may assist Seller/Lessor)
- \_\_\_\_\_ Under preauthorized Neutral Licensee (attached "Waiver of Right to Be Represented")

Date: \_\_\_\_\_ Time: \_\_\_\_\_

Date: \_\_\_\_\_ Time: \_\_\_\_\_

Date: \_\_\_\_\_ Time: \_\_\_\_\_

Real Estate Licensee

Real Estate Company

**THIS DISCLOSURE PAMPHLET IS NOT A CONTRACT**

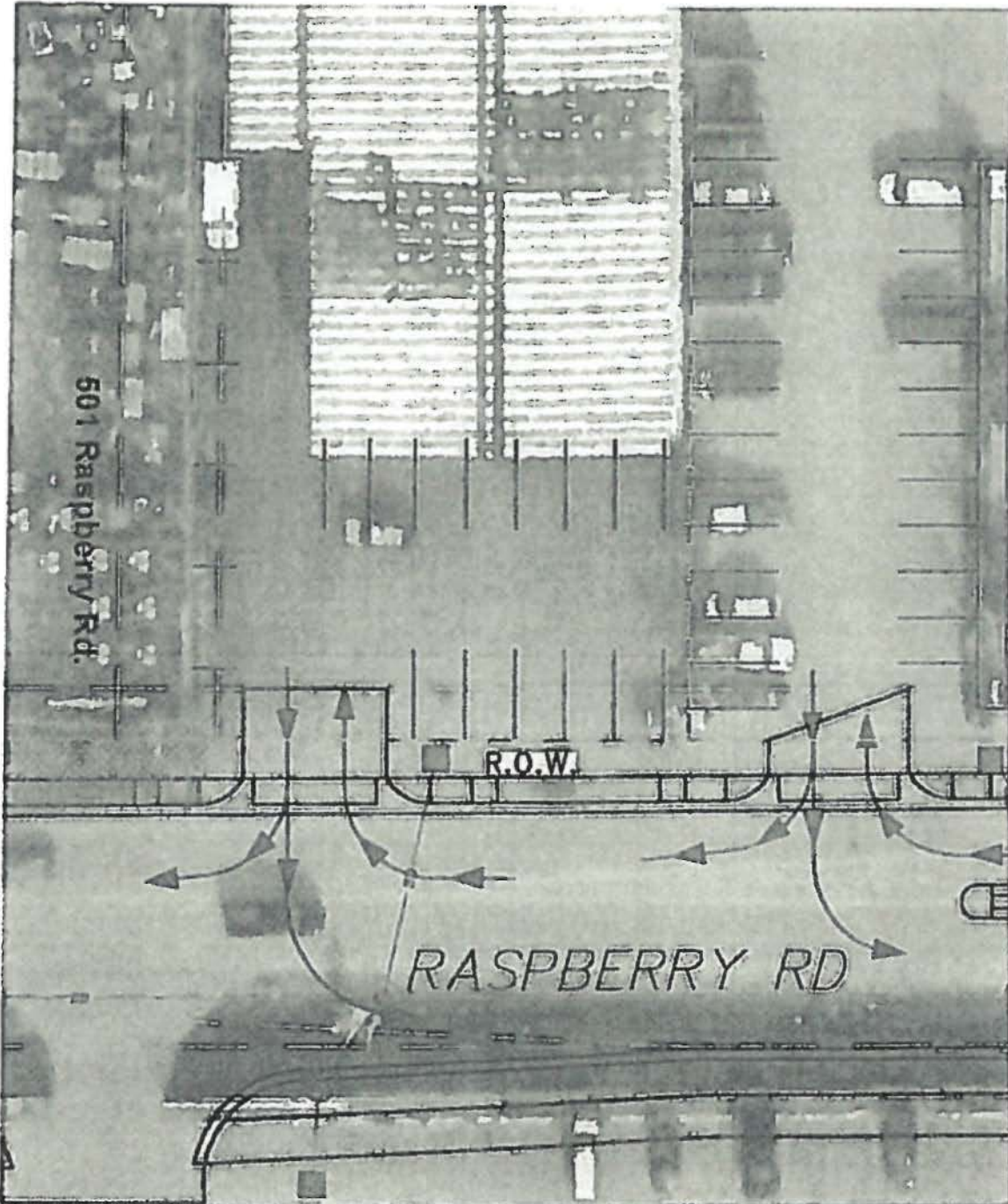
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BY: \_\_\_\_\_  
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## Space Lease - Exhibit "B"

February 25, 2016



501 Raspberry Rd.

17 SPACES  
PER MOA





## ALASKA REAL ESTATE COMMISSION CONSUMER DISCLOSURE

This Consumer Disclosure, as required by law, provides you with an outline of the duties of a real estate licensee (licensee). This document is not a contract. By signing this document you are simply acknowledging that you have read the information herein provided and understand the relationship between you, as a consumer, and a licensee. (AS 08.88.600 – 08.88.695)

There are different types of relationships between a consumer and a licensee. Following is a list of such relationships created by law:

### Specific Assistance

The licensee does not represent you. Rather the licensee is simply responding to your request for information. And, the licensee may "represent" another party in the transaction while providing you with specific assistance.

*Unless you and the licensee agree otherwise, information you provide the licensee is not confidential.*

Duties owed to a consumer by a licensee providing specific assistance include:

- Exercise of reasonable skill and care;
- Honest and good faith dealing;
- Timely presentation of all written communications;
- Disclosing all material information known by a licensee regarding the physical condition of a property; and
- Timely accounting of all money and property received by a licensee.

### Representation

The licensee represents only one consumer unless otherwise agreed to in writing by all consumers in a transaction.

Duties owed by a licensee when representing a consumer include:

- Duties owed by a licensee providing specific assistance as described above;
- Not intentionally take actions which are adverse or detrimental to a consumer;
- Timely disclosure of conflicts of interest to a consumer;
- Advising a consumer to seek independent expert advice if a matter is outside the expertise of a licensee;
- Not disclosing consumer confidential information during or after representation without written consent of the consumer unless required by law; and
- Making a good faith and continuous effort to accomplish a consumer's real estate objective(s).

### Neutral Licensee

A neutral licensee is a licensee that provides specific assistance to both consumers in a real estate transaction but does not "represent" either consumer. A neutral licensee must, prior to providing specific assistance to such consumers, secure a Waiver of Right to be Represented (form 08-4212) signed by both consumers.

Duties owed by a neutral licensee include:

- Duties owed by a licensee providing specific assistance as described above;
- Not intentionally taking actions which are adverse or detrimental to a consumer;
- Timely disclosure of conflicts of interest to both consumers for whom the licensee is providing specific assistance;
- If a matter is outside the expertise of a licensee, advise a consumer to seek independent expert advice;
- Not disclosing consumer confidential information during or after representation without written consent of the consumer unless required by law; and
- Not disclosing the terms or the amount of money a consumer is willing to pay or accept for a property if different than what a consumer has offered or accepted for a property.

If authorized by the consumers, the neutral licensee may analyze and provide information on the merits of a property or transaction, discuss price terms and conditions that might be offered or accepted, and suggest compromise solutions to assist consumers in reaching an agreement.

### Designated Licensee

In a real estate company, a broker may designate one licensee to represent or provide specific assistance to a consumer and another licensee in the same office to represent or provide specific assistance to another consumer in the same transaction.

**ACKNOWLEDGEMENT:**

We, JERRY WORKMAN have read the information provided in this Alaska Real Estate  
(print consumer's name(s))  
Consumer Disclosure and understand the different types of relationships I/we may have with a real estate licensee. I/we  
understand that ERIC SOBOLIK of CHAMBERS COMMERCIAL REAL ESTATE  
(licensee name) (brokerage name)  
will be working with me/us under the relationship(s) selected below.

(Initial)

\_\_\_\_\_ Specific assistance without representation.

\_\_\_\_\_ Representing the Seller/Lessor only. (may provide specific assistance to Buyer/Lessee)

EJS Representing the Buyer/Lessee only. (may provide specific assistance to Seller/Lessor) Jaw

\_\_\_\_\_ Neutral Licensee. (must attach Waiver of Right to be Represented, form 08-4212)

Date: 3/25/2016

Signature: \_\_\_\_\_

(Licensee)

Date: Mar 24 2016

Signature: \_\_\_\_\_

(Consumer)

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

(Consumer)

**THIS CONSUMER DISCLOSURE IS NOT A CONTRACT**

RECEIVED  
JUN 10 2016

BY: \_\_\_\_\_



## WAREHOUSE SPACE SUBLEASE

AGREEMENT OF SPACE SUBLEASE, (hereafter, "Space Sublease,"), made this 1st, day of April 2016 between: OLEANDER, INC., an Alaska corporation (hereafter, "Landlord"), and RASPBERRY ROOTS, LLC, an Alaska limited liability company (hereafter, "Tenant"), of Space Sublease as described in Section 1.01.

The Premises: 501 Raspberry Rd Suites 101 & 102, Anchorage, Alaska 99518  
Legal Description: Raspberry Industrial Park Blk 2 Lt 4

Landlord holds the master Sublease agreement to and for all leasing rights to a building and surrounding property on the above-described real property and Tenant desires to Sublease space within such building and surrounding property, (hereafter, "Premises"), from Landlord under the terms and conditions herein contained.

NOW, THEREFORE IT IS AGREED:

### ARTICLE I SPACE Sublease

#### Section 1.01 DESCRIPTION OF SPACE Sublease

Landlord hereby Sublease to Tenant, and Tenant Sublease from Landlord, approximately 13,855 square feet of rentable retail/warehouse/mezzanine space, and access to a mutually shared Loading Dock.

#### Section 1.02 CONDITION OF PREMISES

Landlord shall install separate metering systems for all utilities servicing the Premises. Other than the improvements specifically identified in this Space Sublease, Tenant shall accept the leased space "as-is."

#### Section 1.03 SERVICES FURNISHED BY THE LANDLORD

Landlord shall furnish and pay all costs for:

1. Real Property Taxes.
2. Building Insurance.
3. The purchase of and installation of separate utility metering systems for the Premises.
4. Maintaining the roof and overall structure of the Premises.

Landlord shall not be liable for damages or otherwise for failure, stoppage or interruption of any services or utilities unless Landlord is the proximate cause for such failure, stoppage or interruption.

#### Section 1.04 TENANT IMPROVEMENTS FURNISHED BY THE LANDLORD

Landlord shall furnish and pay all costs for:

1. The design, buildout and furnishing of a retail store.
2. The design, buildout and equipment of a cultivation facility.
3. The design, equipment and installation of a security system.

#### Section 1.05 SERVICES FURNISHED BY THE TENANT

Tenant shall be responsible for:

1. Installation and monthly service fees for Telephone services, Internet / Cable services, and all other required services at the Space Sublease.
2. Regular maintenance of operating equipment (plumbing, mechanical and electrical, including replacement of bulbs/ballasts) within and at the Space Sublease.
3. Personal property and liability insurance for the Space Sublease.
4. Snow removal in the southern parking lot of the Premises.
5. Separately metered utilities, i.e., gas, electricity, water and etc. used within and at the Premises.

#### Section 1.06 QUIET ENJOYMENT

(A) Tenant, upon paying for rents and performing all of the terms and covenants on its part to be performed, shall peacefully and quietly enjoy the Premises under the terms of this Space Sublease.

(B) Landlord shall have the right to enter the Premises during reasonable business hours, with a prior 24 hour notice to Tenant, for the purposes of providing maintenance or inspecting the Premises. However, due to the nature of the business that will be conducted at the Premises, the integral regulatory scheme governing such business type, Tenant must first approve Landlord's request to enter, and Landlord must ensure that any person it sends as its agent for purposes of maintaining or inspecting the Premises must be 21 years of age, have a valid government issued identification, agree to signing in on the company's visitor log and produce identification to Tenant or Tenant's agent, and stay within the eyesight of Tenant or Tenant's agent as required by the State of Alaska's marijuana control board regulations.

(C) Landlord, and all of Landlord's agents and representatives, which enter the Premises for any reason whatsoever, including the aforementioned reasons of maintenance and/or inspection, shall agree to a confidentially agreement to not discuss with anyone outside of the Premises, except the Landlord, any and all activity they witness or overhear in regards to the cultivation or manufacturing of marijuana, the equipment being used or the operational design within the Premises.

#### Section 1.07 CONTROL OF COMMON AREAS

The common area about the Premises (the exterior parking lot) shall be subject to the control and management of the Landlord. Landlord shall have the right, after good faith discussions and considerations of Tenant's concerns due to its need for parking for its retail facility, to construct, maintain and operate lighting and other improvements in



all said areas; to police the same; to change the area, level, location and arrangement for parking areas and other facilities, provided Tenant shall have the same amount of parking area available after said changes and provided that such changes do not materially and negatively alter Tenant's business.

#### Section 1.08 SIGNAGE

All signage shall be approved by the Municipality of Anchorage and with prior written permission from Landlord. This permission shall not be unreasonably withheld and signage requests shall be responded to within 48 hours of Tenant requesting signage approval from Landlord.

#### Section 1.09 PARKING

Tenant has the exclusive rights to 17 parking spaces.

### ARTICLE II TERM

#### Section 2.01 LENGTH OF TERM

(A) The term of this Space Sublease shall be for ten (10) years following the Commencement Of Term, unless sooner terminated or extended as herein provided.

(B) Tenant shall be allowed to terminate this Space Sublease at the end of the first five (5) year period. Tenant shall notify Landlord in writing before October 2020 of their intention to terminate this Space Sublease. If terminated, Tenant shall pay one (1) additional month's rent for May 2021. Upon inspecting the Space Sublease Premises, Landlord will return Tenant's Security Deposit less any reasonably appropriate wear and tear damages assessed by Landlord. If the Tenant wishes to continue this Space Sublease for the 2nd five (5) year period, no action is required on the part of the Tenant.

(C) Early Termination of Space Sublease: Tenant shall have the option to terminate this Space Sublease, and be released from all obligations, responsibilities and provisions herein if, despite best effort attempts by Tenant, the State of Alaska and/or other controlling license authorities do not approve Tenant's application for a Marijuana Cultivation License. Tenant will have fifteen (15) business days, from the date in which the State of Alaska and/or other controlling license authorities provide Tenant with written notice of approval or denial on Tenant's aforementioned application, to terminate or verify Tenant's approval to continue with this Space Sublease. If Tenant chooses to exercise this option to terminate, Tenant shall forfeit any rents paid and owed as well as their Security Deposit.

#### Section 2.02 COMMENCEMENT OF TERM

(A) The term of this Space Sublease shall commence on April 1, 2016.

(B) The hereinafter Sublease payments commencing as of April 1, 2016, postponed under the following circumstances, conditions and/or covenants for the first nine-months (9) of this Space Sublease, i.e. April, May, June, July, August, September, October, November and December.

(C) Lease payments for the first six-months (6), and due as of the first day of April, May, June, July, August and September 2016 shall be postponed until and will become due and payable hereunder, in 18 monthly installments beginning April 1st, 2017 through September 1st 2018, and all such unpaid lease amounts shall bear interest 30 days from the original date due and shall be amortized for 18 months at twelve percent (12%) per annum or 1.0% per month until paid in full. No pre-payment penalty will be charged for early payments.

(D) Lease payments for the three-months (3) of October, November and December 2016 shall be due and payable at a reduced rate calculated as fifty-percent (50%) of the current payment due as of the first day of each of the aforementioned months. The remaining unpaid lease payments, calculated as indicated herein, for each of the aforementioned months, will be due and payable in equal installments on the first day of the corresponding months of January, February and March 2017. No interest will be charged for the postponement of the aforesaid partial rent payments.

(E) Lease payments beginning as of the 1st day of January 2017 will be due and payable hereunder, as contemplated and directly as stated in this Space Lease.

#### Section 2.03 HOLD OVER

If the Tenant shall hold over after the expiration date of this Space Lease term, such tenancy shall be from month to month and subject to all the terms, covenants and conditions of this Space Lease, except that the rent for each hold over month or thereof will be one hundred fifty percent (150%) of the monthly rental provided herein for the last month of the term of this Space Lease.

#### Section 2.04 SURRENDER OF POSSESSION

Upon expiration or on the sooner termination of this Space Lease, Tenant shall peacefully and quietly leave, surrender and yield to Landlord all and singular the Premises, broom clean, in good order and repair, ordinary wear and tear excepted, together with all alteration, additions and fixed improvements which have been made upon the Premises, except personal property or moveable trade fixtures put in at the expense of the Tenant. If the last day of the term of this Space Lease falls on Sunday, this Space Lease shall expire on the business day immediately following. Tenant, on or before said date, shall remove all such property from the Premises. Tenant shall indemnify Landlord against loss or liability resulting from such delay by Tenant, including without limitations any claims made by any succeeding Tenant founded on such delay.

#### Section 2.05 POSSESSION

Landlord shall give possession of the Premises on the Commencement Of Term date as so stated in this Space Lease to the Tenant. If Landlord is unable to give possession of the Premises on the date herein fixed for the Commencement Of Term, this Space Lease and all its provisions, including the date herein fixed for expiration of the Space Lease, shall nevertheless continue in full force and effect, and Tenant's monthly Base Rent for that month shall be pro-rated to reflect the delay of delivery of the Premises. Tenant's remedies are the following:



(A) The Commencement Of Term date and expiration date shall be extended in accordance with the actual date of Tenant's occupancy.

(B) In the event said occupancy is delayed by Landlord's inability to provide said Premises for Tenant, beyond thirty-days (30) from the anticipated Commencement Of Term, Tenant shall have the right to terminate this Space Lease in its entirety. In such event, Landlord shall return all and any Base Rent and/or Security Deposit payments to Tenant and neither Tenant nor Landlord shall have any liability to the other.

(C) It is acknowledged and accepted by Tenant that Landlord may be unable to complete all Landlord's provided improvements by the occupancy date. Tenant, at Tenant's option, may agree to accept such condition and allow Landlord to complete by or on a mutually agreeable date.

### ARTICLE III

#### BASE RENT PAYMENT AND A PERCENTAGE OF GROSS REVENUE PAYMENT

##### Section 3.01 COVENANT TO PAY A BASE RENT

Tenant covenants to and shall pay to Landlord at:

**Oleander, Inc.**  
**3003 Minnesota Drive, Suite 201**  
**Anchorage, Alaska 99503**

Or Tenant may directly deposit payments into a bank account of Landlord's designation.

Or at such other place as Landlord may designate, in advance, on the first day of each calendar month during the term hereof, the Base Rent payment due each month shall be as follows:

<u>Period</u>	<u>Base Rent Monthly Payment</u>
Year 1: 4/01/2016 - 3/31/2017	\$ 34,000.00
Year 2: 4/01/2017 - 3/31/2018	\$ 35,700.00
Year 3: 4/01/2018 - 3/31/2019	\$ 37,485.00
Year 4: 4/01/2019 - 3/31/2020	\$ 39,359.25
Year 5: 4/01/2020 - 3/31/2021	\$ 41,327.21
Year 6: 4/01/2021 - 3/31/2022	\$ 43,393.57
Year 7: 4/01/2022 - 3/31/2023	\$ 45,563.25
Year 8: 4/01/2023 - 3/31/2024	\$ 47,841.41
Year 9: 4/01/2024 - 3/31/2025	\$ 50,233.49
Year 10: 4/01/2025 - 3/31/2026	\$ 52,745.16

**Section 3.02 COVENANT TO PAY A PERCENTAGE OF THE GROSS REVENUE**

As provided for in 3 AAC 306.015(e)(B)(i), this Agreement may be modified at some point in the future to include additional rent in the form of a percentage of the gross revenue generated by the business operations, which shall be good and valuable consideration for and in exchange for the responsibilities and obligations under this Agreement and may be modified or more specifically delineated in an amendment to this Agreement, as agreed to in writing by the Parties. Given the new nature of this industry, the Parties agree it is impracticable to assign a fair market value rental rate and agree to negotiate a more defined and substantial rental rate, as allowed under 3 AAC 306.015(e)(B)(i) as the Tenant's business commences operation and generates revenue.

Tenant covenants to and shall pay to Landlord at:

Oleander, Inc.  
3003 Minnesota Drive, Suite 201  
Anchorage, Alaska 99503

Or Tenant may directly deposit payments into a bank account of Landlord's designation.

Or at such other place as Landlord may designate, in advance of, or by the 1<sup>st</sup> Wednesday following the 15th day of each calendar month during the term hereof; the percentage of the Gross Revenue payment due each month shall be determined.

Tenant's accounting records and financial statements will determine the exact amount of the Gross Revenue generated by Tenant for any given month, and shall be governed by generally accepted accounting principles (hereafter, GAAP). Tenant shall include a signed affidavit with each month's payment evidencing the amount being paid to Landlord, as determined herein by the aforementioned payment schedule, is complete and accurate to the best of Tenant's knowledge. Landlord may, from time to time and with advanced written notice, have Tenant's accounting records and financial statements reviewed by a qualified accountant, of Landlord's choice, for the thoroughness and accuracy as to the Gross Revenue amount declared each month and as to the Percentage of the Gross Revenue calculated and paid as Tenant's Gross Revenue lease payment.

**Section 3.03 INCREASE IN REAL PROPERTY TAXES OVER BASE YEAR:**

Tenant agrees to pay a pro-rata share of any increases in Real Property Taxes over the base year of 2016. Any increase shall be on a pro-rated basis of Tenant's square footage of occupancy. Total building area according to the Anchorage Municipality tax bill is 19,040 square feet. Tenant's pro-rata portion of any increase shall be 70.59% ( $13,440/19,040 = 0.705882$ ).

**Section 3.04 CURRENCY / CASH PAYMENTS FOR BASE RENT**

Due to the nature of Tenant's business as stated in the hereinafter Section 4.01 Use of Premises, the business may from time to time ask the Landlord to except cash money as payment for the monthly Base Rent. The Tenant's business is mostly a cash business and current banking entities restrict the amount of cash money the business may deposit in a bank checking account.



### Section 3.05 SECURITY DEPOSIT

Upon execution of this Space Lease, Tenant shall deposit with Landlord the sum of \$ 15,000.00 as a Security Deposit for the full and faithful performance by Tenant of each and every term, provision, covenant and condition of this Space Lease.

Landlord may use, apply or retain the whole or any part of the Security Deposit so deposited for the payment of any Base Rent in default or for any other sum, which Landlord may expend or be required to expend by reason of Tenant's default.

In the event Tenant shall fully and faithfully comply with all of the terms, provisions, covenants and conditions of this Lease, the Security Deposit, or any balance thereof, shall be returned to Tenant within thirty-days (30) after the time fixed as the expiration of the Space Lease and after the removal of Tenant and the surrender of the Premises to the possession of the Landlord. Tenant shall not be entitled to any interest on such Security Deposit.

In the absence of evidence satisfactory to Landlord of an assignment of the right to receive the Security Deposit, or the remaining balance thereof, Landlord may return the Security Deposit to the original Tenant, regardless of one or more assignments of Tenants in this Space Lease.

### Section 3.06 LATE CHARGE ON UNPAID RENT

A late charge of eight percent (8.0%) of any Base Rent (see Section 3.01 for Base Rent Monthly Payments), or any other sum due to the Landlord hereunder, shall be assessed by the Landlord against the Tenant and applied to each and every payment not received at the designated place of payment on or before the tenth (10th) day following the date when such payment is due.

### Section 3.07 SERVICE CHARGE ON PAST DUE AMOUNTS

If the Tenant fails to pay any Base Rent, or any other sum due to the Landlord when the same is due and payable hereunder, any and all such unpaid amounts shall bear interest 30 days from the date due to the date of payment at eighteen percent (18%) per annum or 1.5% per month.

## ARTICLE IV USE OF PREMISES

### Section 4.01 USE OF PREMISES

Tenant shall use the Premises for marijuana cultivation, marijuana product manufacturing, a marijuana retail store, and marijuana wholesale distribution. A marijuana retail store and wholesale distribution includes, but without limitation, marijuana paraphernalia, branded clothing, accessories and related merchandise.

All operations shall be appropriately licensed by the State of Alaska and Municipality of Anchorage, and shall follow all rules and regulations set forth by the State and the Municipality of Anchorage.

### Section 4.02 COMPLIANCE WITH LAWS

Tenant shall comply with all applicable laws, ordinances and regulations of duly constituted public authorities now elected or hereafter amended in any manner affecting

the Space Lease, whether or not any such law, ordinance or regulation which may be hereafter enacted involves a change of policy on the part of the governmental body enacting as the same. Tenant further agrees it will not permit any unlawful occupation, business or trade to be conducted on said Premises or any use to be made thereof contrary to any such state law, local ordinance or local and state regulation.

#### Section 4.03 RULES AND REGULATIONS OF BUILDING

(A) As a condition of this Space Lease, Tenant shall comply with all reasonable rules and regulations promulgated by Landlord from time to time for all tenants in the building and surrounding property; however, no rule or regulation that causes a material and adverse impact on Tenant's business shall apply to Tenant.

(B) The proposed use of the Premises is to operate as a state licensed marijuana establishment. In the event Tenant, despite its best efforts, is unable to obtain a state license and local use permit approvals, Tenant shall, at Tenant's election, be released from the terms and obligations of this Space Lease, but shall forfeit its Security Deposit and any months of Base Rent already paid to the Landlord as of the date Tenant determines it is unable to obtain or operate under appropriate licenses and permits.

(C) In the event there are changes in the laws, that make the business of Tenant illegal or not feasible to engage in, Tenant shall be released from the terms and obligations of this Lease.

### ARTICLE V MAINTENANCE, REPAIR, ALTERATIONS

#### Section 5.01 COVENANT TO MAINTAIN AND REPAIR

(A) Tenant shall, during the term of this Space Lease and any renewal extension thereof, at its sole expense, keep the interior of the Premises in good order and repair as it was on the date of actual delivery of possession of the Premises, reasonable wear and tear and damages by accidental fire or other casualty excepted, and be responsible for all day to day janitorial and light bulb and fluorescent tube replacement services and the associated expense. Tenant shall be responsible for the maintenance of all the above ground plumbing fixtures and plumbing lines, mechanical features, and electrical conduits that are specifically used within Tenant's Premises and not in the common areas of the building and surrounding property.

(B) Landlord during the term of this Space Lease and any renewal or extension thereof shall keep the structural supports and exterior walls of the Premises in good order and repair. Within the common areas of the building and surrounding property, the Landlord shall maintain and repair the below ground plumbing structures, plumbing fixtures and plumbing lines, mechanical features and mechanical features Tenant does not have access to, electrical conduit, equipment for the general supply of hot and cold water, heating, cooling, ventilation and electricity, except that the Tenant shall be responsible for any and all repairs to the above list as a result of alternations or damages thereto by Tenant, its employees, customers, servants, agents, licensees or invitees.



Section 5.02 ALTERATIONS, ADDITIONS

(A) Tenant agrees that they:

1. Shall not cut or drill or otherwise deface or injure the exterior of the building without the Landlord's prior written consent, which such consent shall not be unreasonably withheld or delayed;

2. Shall not obstruct or permit the obstruction of any light or skylight in or upon the building, or the adjoining sidewalk or street, or the entrance, or any other part of the building to the exclusive use of which Tenant is not entitled; nothing in this Section 5.02 (A) (2.) is meant to restrict Tenant's ability to obstruct light or skylight in Tenant's interior space of the Premises;

3. Shall comply with all reasonable regulations of Landlord designated to promote the safety or good order of the building, as long as said regulations do not have a materially adverse impact on Tenant's business;

4. Shall not, with the exception of improvements, alterations, and additions that are necessary to comply with the State and local rules and regulations and to effectuate the agreed upon use of the Premises for purposes of cultivation of marijuana, manufacturing of marijuana products, and retail sales (i.e., light fixtures, security systems, ventilation improvements, etc.), without the Landlord's prior written consent obtained in each instance, make any alteration, additions, or improvements in or about the Premises. Tenant has the discretion to make improvements, alterations, and additions necessary to comply with State and local rules and regulations and to operate in and on the Premises for Tenant's intended purposes.

5. Shall, without the Landlord's prior written consent obtained in each instance, make any alterations or additions to the (i) electrical wiring, (ii) plumbing, heating or ventilating equipment, appliances, or systems, (iii) water, sewer or gas lines, equipment, appliances or systems, (iv) water mains or pipes to supply water for refrigeration or ventilating apparatus, or, (v) other equipment, machinery, apparatus, or installation in or about the Premises. Tenant will, upon Landlord's written request, provide the Landlord with periodic updates on the physical changes it has made or plans on making to the Premises.

(B) Landlord agrees and acknowledges that the Tenant:

1. Has fully disclosed their intended USE OF PREMISES in Section 4.01 of this Space Lease.

2. Will be conducting standard and proprietary marijuana industry business operations, including cultivation, manufacturing and all things related that are of a very proprietary nature and provides the Tenant with a competitive advantage over other marijuana establishments.

3. Will be creating, designing, building, installing and purchasing the entire gamut of Tenant improvements, alterations and additions to the Premises at their own expense. The Tenant requires the freedom to fully manage the Space Lease, including the Premises on the Tenant's own terms.

#### Section 5.03 PROHIBITION OF LIENS

Tenant and Landlord shall not do or suffer anything to be done causing the Space Lease and/or Premises to be encumbered by liens of any nature, notes and/or mortgages and shall whenever and as often as any lien is recorded against said property, purporting to be for labor or materials furnished or to be furnished to the Tenant or Landlord, discharge the same of record within thirty-days (30) after the date of filing.

#### Section 5.04 NOTICE OF NON-RESPONSIBILITY

Notice is hereby given that Landlord shall not be liable for any labor or materials furnished or to be furnished to Tenant on credit, and that no lien of any nature or type shall attach to or affect the reservation or other estate of Landlord in and to the Premises herein demised. At least seven-days (7) before commencement of any work that is or may be the subject of a lien for work done or materials furnished to the Premises, Tenant shall notify Landlord in writing thereof, to allow Landlord, if it desires, to post and record notices of non-responsibility or to take any other steps Landlord deems appropriate to protect its interests.

### ARTICLE VI ASSIGNMENT AND SUBLETTING

#### Section 6.01 ASSIGNMENT AND SUBLETTING

Tenant shall not assign, mortgage or encumber this Space Lease, in whole or in part, or sublet all or any part of the Premises without prior written consent of Landlord. If this Space Lease is assigned or if the Premises or any part thereof is occupied by anyone other than the Tenant, Landlord may collect Base Rent from the assignee or occupant, and apply the net amount collected to the Base Rent herein reserved, but no such assignment, under letting, occupancy or collection shall be deemed a waiver of this provision or the acceptance of the assignee, under tenant or occupant as Tenant, or as a release of Tenant from the further performance to the provisions on its part to be observed or performed herein. Notwithstanding an assignment or sublease, Tenant shall remain fully liable and shall not be released from performing any of the terms, covenants and conditions of this Space Lease. Any assignment, hypothecation or sublease of this Space Lease, or any part thereof, whether by operation of law or otherwise, except as explicitly allowed for in this Section 6.01, without the written consent of Landlord, shall be avoidable at the option of Landlord.



## ARTICLE VII INSURANCE AND INDEMNITY

### Section 7.01 INDEMNIFICATION OF LANDLORD

(A) Tenant shall indemnify, defend and save Landlord harmless for all suits, demands, claims, actions, damages, liability and penalties, judgments, awards, interest, cost and expenses, including all reasonable and actual attorney's fees incurred in connection with loss of life, bodily or personal injury or property damage arising from or out of any occurrence in, upon, said Premises.

(B) In no event shall Landlord be liable to Tenant for any injury to any person or damage to anything in or about the Premises unless such loss, damage or injury is caused by the negligence of the Landlord. None of the agents or employees of the Landlord shall be responsible for any of the liabilities, obligations or agreements of Landlord under this Space Lease.

### Section 7.02 INSURANCE

Tenant shall maintain insurance coverage at its own cost and expense. The following coverage requirement and conditions shall apply:

(A) Physical Damage Insurance in an amount adequate to cover the full cost of all decorations, fixtures, contents and improvements in the Premises, as referenced in the Space Lease, in the event of fire, vandalism, malicious mischief, or other casualty generally included in extended coverage policies.

(B) General Comprehensive Liability Insurance with single limits coverage in an amount of two million (\$2,000,000) for personal injury, property damage and third party liability.

(C) Such insurance may not be canceled or amended without thirty-days (30) written notice by certified or registered mail to Landlord by the insurance company.

(D) Landlord shall be named as an additional insured on such insurance policy for Premises insurance, and on ancillary product insurance Tenant secures. At Landlord's option and request, Tenant shall deliver the original policy of all such insurance to Landlord within ten-days (10) of receipt of such request.

(E) Tenant shall be solely responsible for payment of premiums for all such insurance policies.

(F) Tenant shall provide Landlord with a certificate of insurance providing for the above requirements after the Space Lease is executed, and before occupancy of the Premises by Tenant.

### Section 7.03 NOTIFICATION

Tenant shall give prompt notice to Landlord in case of fire, accidents, or defects in any fixtures or equipment in or on or about the Premises that are owned by the Landlord at the time Tenant takes possession of the Premises, as referenced in the Space Lease.

## ARTICLE VIII CASUALTIES, DESTRUCTION

### Section 8.01 RESTORATION, ABATEMENT

If all or any part of the Premises, as referenced in this Space Lease, is damaged or destroyed by fire or other casualty insured under Landlord's standard fire insurance policy Landlord shall repair the same with reasonable dispatch out of the insurance proceeds received from the insurer. In any event, regardless of timing of payment from the insurance policy or whether said insurance policy will cover the damage, Landlord will pay for and use its good faith efforts to complete the repairs necessary to allow Tenant to continue its use of the Premises as soon as possible.

If fire or other casualties damage the Premises, as referenced in this Space Lease, or any parts thereof, to such an extent that makes the use of the Premises impracticable, the Base Rent shall be abated. If, due to fault or failure of Tenant, and Tenant fails to adjust its own insurance claim within a reasonable time, and as a result thereof the repair and restoration is delayed, there shall be no abatement of Base Rent during the period of such resulting delay, or if the fire or damage to said Premises is caused by carelessness, negligence or improper conduct of Tenant, then notwithstanding such damage or destruction, Tenant shall be liable for the Base Rent during the unexpired period, without an abatement.

### Section 8.02 TERMINATION OF LEASE UPON CASUALTY

In the event of damage to or destruction of or to the Premises, as referenced in this Space Lease, by fire or other casualty, Landlord shall use its good faith efforts to commence repairs and/or restoration as soon as possible, but in any event the Landlord shall have repaired and/or restored all such damage and/or destruction back to the original condition, if possible, as of the date Tenant first took possession of the Premises, within one-hundred and twenty days (120) from the date the damage or destruction occurred.

If the Landlord fails to complete all the repairs and/or restoration to the damage and/or destruction contemplated herein within one-hundred and twenty days (120), but has commenced with the repairs within one-hundred and twenty days (120) and is proceeding with diligence and continuity, Tenant shall allow a sixty-day (60) extension period for the Landlord to complete the repairs and/or restoration as described herein.

If the Landlord does not complete the repairs and/or restorations within the sixty-day (60) extension period, the Tenant may, by written notice, terminate this Space Lease on the date specified in such notice, and be entitled to the return of the full Security Deposit, as if that date had been originally fixed as the expiration date of the term herein of the Space Lease, provided such early termination date be less than two-hundred and ten days (210) after the event of damage and/or destruction as contemplated herein.



### Section 8.03 EXEMPTION OF LIABILITY

Landlord shall not, with the exception of the obligations and responsibilities detailed in Sections 8.01, 8.02, and the obligations and responsibilities of any other term, provision, covenant and/or condition of this Space Lease, be liable for any loss of business arising from damage to or destruction of the Premises, as referenced in this Space Lease, unless such damage, destruction or loss is a direct result of Landlord's gross negligence.

## ARTICLE IX EMINENT DOMAIN

### Section 9.01 GENERAL

If the whole or part of the Premises, as referenced in this Space Lease, shall be taken for any public or quasi-public use, under any statute, or by right of eminent domain, or private purchase in lieu thereof by a public body vested with the power of eminent domain, then at such time as possession shall be taken thereunder of this Space Lease, or any part thereof, the following provisions described in Sections 9.02 and 9.04 shall be operative.

### Section 9.02 TAKING OF ALL PREMISES

If all of the Premises, as referenced in this Space Lease, is taken by eminent domain, the term herein Space Lease and all rights of Tenant hereunder shall immediately cease and terminate, and the Base Rent shall be adjusted as of the time of such termination so that Tenant shall have paid Base Rent up to the time of taking. The Tenant shall be entitled to the return of the full Security Deposit amount, less any damage to the Premises caused by Tenant.

### Section 9.03 TAKING OF SUBSTANTIAL PART OF PREMISES

If the taking by eminent domain reduces the area of the Premises, as referenced in this Space Lease, which materially affects the use being made by the Tenant of the Space Lease, Tenant shall have the right by written notice to Landlord, no later than twenty-days (20) after possession is taken, to elect to, terminate this Space Lease.

(A) If such election to terminate this Space Lease is made by Tenant, the provisions for the taking of the whole shall govern, or:

(B) If such election to terminate is not made, this Space Lease shall continue and Landlord shall be entitled to the condemnation proceeds and the Base Rent shall be reduced in the same proportion that the rentable square footage of the Premises, as referenced in this Space Lease, taken bears to the rentable square footage of the Premises originally leased, and the Landlord shall, upon receipt of the award in condemnation make all necessary repairs or alterations to the Premises in which the Space Lease is located so as to constitute the portion of the building not taken a completed architectural unit. In any event, Landlord shall make the necessary repairs to the Premises, as referenced in this Space Lease, in a manner and condition whereby Tenant can reasonably conduct its business from within the Premises.

## ARTICLE X DEFAULT AND REMEDIES

### Section 10.01 DEFAULT OF TENANT

Each of the following, but not limited thereto, shall be deemed a default by Tenant and a breach of this Space Lease:

(A) A failure in the payment of the monthly Base Rent for a period of two (2) consecutive months shall be considered a material breach and default under the terms of this Space Lease.

(B) A failure in the performance of any covenant or conditions on the part of Tenant to be performed, for a period of thirty-days (30) after the service of notice thereof by Landlord, provided, however, that no default on the part of Tenant shall be deemed to exist as the result of failure to complete said covenant or conditions, if said covenant or conditions are modified before the end of such thirty-days (30) period, or Tenant has begun to rectify the same, and thereafter prosecutes the curing thereof to completion with diligence and continuity.

(C) The filing of a case, by or against Tenant, for any relief under the Federal Bankruptcy Code 1978, as now or hereafter amended or supplemented, or its successor, or the filing of any case by or against Tenant under any future bankruptcy act for the same or similar relief.

(D) The dissolution, or the commencement of any action or proceeding for the dissolution or for liquidation, of Tenant, whether instituted by or against Tenant, or for the appointment of a receiver or trustee of the property of Tenant.

(E) The taking possession of the property of Tenant by any governmental office or agency to statutory authority for the dissolution or liquidation of Tenant.

(F) The making by Tenant of a general assignment for the benefit of creditors.

(G) The vacation or abandonment of the Premises, as referenced in the Space Lease, by Tenant for a period exceeding forty (40) consecutive days.

### Section 10.02 REMEDIES OF LANDLORD

In the event of any default of Tenant as above provided, Landlord shall have the following rights or remedies, in addition to any rights or remedies that may be given to Landlord by statute, law or otherwise:

(A) To, after notification and approval from the State of Alaska AMCO division and proper law enforcement agents, immediately re-enter and re-let the Premises, as referenced in the Space Lease, in Landlord's name, at such price and on such terms as Landlord in its sole and absolute discretion deem fit, subject to any obligations Landlord may have to mitigate Tenant's damages.

(B) In the event of a material breach by Tenant that results in a default as identified in Section 10.01, Tenant shall remain liable to pay Landlord, and shall promptly pay Landlord:



- (1) All past due rent,
- (2) The present value, computed at a discount rate of three percent (3%) per annum, of all future rents which Tenant will owe Landlord under this Lease, and
- (3) All direct and indirect costs, fees and damages incurred or suffered by Landlord as a direct and foreseeable result of such default, including without limitation, all legal costs and actual attorney's fees.

## ARTICLE XI GENERAL PROVISIONS

### Section 11.01 WAIVER OF BREACH

No failure by either Landlord or Tenant to insist upon strict performance by the other of any covenant, agreement, term or condition of this Space Lease, or to exercise any right or remedies consequent upon breach thereof, shall constitute a waiver of any such breach or of such covenant, agreement, term or condition. No waiver of any breach shall affect or alter this Space Lease but each and every covenant, condition, agreement and term of this Space Lease shall continue in full force and effect with respect to any other then existing or subsequent breach.

### Section 11.02 ENTIRE AGREEMENT DISCLOSURES

(A) This agreement supersedes all other prior agreements and understanding between the Parties and may not be changed or terminated orally. No change, termination or attempted waiver of any of the provisions hereof shall be binding unless in writing and signed by the Parties against whom the same is sought to be enforced.

(B) If any provision of this Space Lease, the deletion of which would not be adversely affect the receipt of any material benefit by either Party, shall be held unenforceable or invalid to any extent, the remaining provisions shall not be affected and shall be valid and enforceable.

### Section 11.03 CONSTRUCTION OF LEASE

Words of any gender used in this Space Lease shall be held to include any other gender and words of the singular number shall be held to include the plural when the sense requires.

### Section 11.04 NOTICES

Any notices or demand which under the terms of this Space Lease or any statute must be given or made by the Parties hereto, shall be in writing and given or made by mailing the same by registered or certified mail address to the other Party as follows:

Landlord:     **Oleander, Inc.**  
                  3003 Minnesota Drive, Suite 201  
                  Anchorage, AK 99503

Tenant:       **Raspberry Roots, LLC**  
                  501 Raspberry Rd.  
                  Anchorage, AK 99518

Either Party may, however designate in writing such new or other address to which such notice or demand shall thereafter be given, made or mailed. Any notice given hereunder by mail shall be deemed delivered when deposited in the United States mail at any general branch post office, and mailed by registered or certified prepaid mail.

#### Section 11.05 HAZARDOUS MATERIALS

Tenant shall keep the Premises, as referenced in the Space Lease, free of any and all hazardous materials. Tenant shall neither release upon the Premises nor cause nor permit the Premises to be used to manufacture, process, transport, store, handle or dispose of hazardous materials except in compliance with all applicable laws and other governmental requirements. For purposes of this Space Lease, the term "Hazardous Material" shall not be interpreted to include the following compounds / chemicals / materials: CO<sub>2</sub>, hydrogen peroxide, bleach, butane, 100% proof alcohol, plant nutrients and pesticides allowed under Alaska State Law, flushing compounds, and other materials, chemicals and compounds that are generally used in the commercial marijuana cultivation and manufacturing general business practices. Tenant shall defend, indemnify and hold harmless Landlord and all of its affiliated parties against any claims, costs and liabilities related to the presence of hazardous materials claimed to have been released by the Tenant or for the claimed breaches by Tenant of any law or governmental requirement concerning the presence or release of hazardous materials. The term "hazardous materials" includes without limitation: flammable explosives, radioactive materials and hazardous and toxic substances as defined in any state and local law regulation.

#### Section 11.06 ESTOPPEL CERTIFICATE

Tenant shall at any time and from time to time upon not less than twenty-days (20) prior request by Landlord, provide a statement in writing certifying that this Space Lease is in full force and effect and if modified, stating the modification and the dates to which the Base Rent(s) and any other charges have been paid in advance. It is intended that any prospective purchaser, assignee or encumbrance of the Premises may rely upon such statement delivered pursuant to this Section 11.06.

#### Section 11.07 EXCUSE FOR NON-PERFORMANCE

Either party hereto shall be excused from performing any or all of its obligations hereunder with respect to any repair work required under the terms of this Space Lease for such times the performance of such obligations is prevented or delayed by an act of God, floods, explosion, war, invasion, insurrection, riot, mob violence, sabotage, inability to procure labor, equipment, facilities, materials or supplies in the open market, failure of transportation, strikes, lockouts, actions by labor unions, or laws or order of governmental agencies, or any other cause whether similar or dissimilar to the foregoing which is not within the reasonable control of such Party.



Section 11.08 EXCLUSIVE JURISDICTION / VENUE

In the event that a question, dispute or requirement for interpretation or construction should arise with respect to this Space Lease, jurisdiction and venue therefore shall lie exclusively with the courts of the Third Judicial District for the State of Alaska, at Anchorage, Alaska, unless a non-appealable federal or Alaska state law should require the contrary.

Section 11.09 TIME OF ESSENCE

Time is of the essence of each and every provision hereof.

Section 11.10 BINDING EFFECT

This Space Lease shall be binding upon and insure to the benefit of the Parties hereto, their legal representatives, successors and assigns.

Section 11.11 LIMITATION OF LANDLORD'S LIABILITY

The obligations of Landlord under this Space Lease do not constitute personal obligations of Landlord or its owners, trustees, directors, and officers.

Section 11.12 EFFECTIVE DATE

This Space Lease shall be effective the instant the dated signatures of Landlord and Tenant are affixed hereto.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties have executed this Space Lease the day and year set opposite their respective signatures.

**Landlord:** Oleander, Inc.

By: Jerry A Workman  
Jerry A. Workman

Date: April 1, 2016

Its: President and Authorized Representative

**Tenant:** Raspberry Roots, LLC.

By: Kimberley A Kole  
Kimberley A. Kole

Date: April 1, 2016

Its: President

**Personal Guarantor:** Kimberley A. Kole

By: Kimberley A Kole  
Kimberley A. Kole, an individual

Date: April 1, 2016



## LEASE GUARANTY

The undersigned ("Guarantor") in consideration of and in order to induce OLEANDER, INC. ("Landlord") to enter into the attached Space Lease ("Lease") with RASPBERRY ROOTS, LLC ("Tenant") does/do each hereby jointly and severally unconditionally guarantee to Landlord and Landlord's heirs, successors and assigns the payment of the Base Rent, Gross Revenue Percentage Rent and the performance of all obligations under the terms and provisions of the Lease, including payment of damages for any breach of the Lease, and any liability of Tenant accruing under the Lease for the term of the Lease and for any damages resulting in Tenant's nonperformance of the Lease (collectively, the "Lease obligations"). Each Guarantor's obligation under this Guaranty shall extend through the term of the Lease, and any renewals, extensions or holdovers thereof, and shall be binding upon Guarantor's successors and assigns.

Whether or not any existing relationship between the Guarantor and Tenant has been changed or ended and whether or not this Guaranty has been revoked, Landlord may, but shall not be obligated to, enter into transactions resulting in the modification, creation or continuance of the Lease Obligations, without any consent or approval by Guarantor and without any notice to Guarantor. The liability of Guarantor shall not be affected or impaired by any of the following acts or things (which Landlord is expressly authorized to do, omit or suffer from time to time, both before and after revocation of this Guaranty): (i) any one or more extensions or renewals of the Lease Obligations (whether or not for longer than the original period) or any modification of the contractual terms applicable to the Lease Obligations; (ii) any waiver or indulgence granted to Tenant, any delay or lack of diligence in the enforcement of the Lease Obligations, or any failure to institute proceedings, file a claim, give any required notices or otherwise protect any other person liable in respect of any of the Lease Obligations; (iii) the assertion by Landlord of any right or remedy available under the Lease, including without limitation the termination thereof; (iv) any full or partial release of, settlement with, or agreement not to sue, Tenant or any other guarantor or other person liable in respect of any of the Lease Obligations; or (v) any release or discharge of Tenant in any creditors, receivership, bankruptcy or other proceeding; the impairment, limitation or modification of any liability of Tenant or remedy against Tenant in any such proceeding; or the rejection, disaffirmance, disallowance or the like of the Lease or this Guaranty in any such proceeding.

Guarantor will not exercise or enforce any right to contribution reimbursement, recourse or subrogation available to Guarantor against any person liable for payment of the Lease Obligations, or as to any collateral Security therefore, unless and until all of the Lease Obligations, shall have been fully paid and discharged.

Landlord:

Jerry A Workman

Date:

April 1, 2016

Tenant:

Kimberly A Cole

Date:

April 1, 2016

Guarantor:

Kimberly A Cole

Date:

April 1, 2016

## AMENDMENT TO WAREHOUSE SPACE LEASE

THIS AMENDMENT is entered into between Landlord and Tenant effective as of the 25<sup>th</sup> day of June, 2018 under that certain Lease originally dated March 24, 2016, related to the property commonly known as 501 Raspberry Rd, Suites 101 & 102, Anchorage, Alaska 99518.

NOW, THEREFORE, FOR GOOD AND VALUABLE CONSIDERATION, RECEIPT OF WHICH IS ACKNOWLEDGED BY BOTH LANDLORD AND TENANT, THE PARTIES HEREBY AGREE THAT THE LEASE IS AMENDED AS FOLLOWS.

- 1. Default:** 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 licensed premises if Tenant cannot be reached, abandons the property, or similar event.

Except to the extent that the terms and conditions of this Lease Amendment are to the contrary, all other terms and conditions of the original Lease Agreement and any amendments thereto remain in full force and effect.

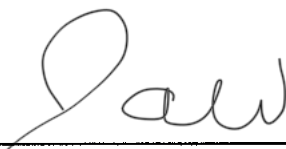
DATED effective as of the year and date above set forth.

**Landlord:**  
**Build, LLC**

By:   
Larry Taylor

*Build, LLC Managing Partner*

**Tenant:**  
**Oleander, Inc.**

By:   
Jerry Workman

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DATED effective as of the year and date above set forth.

**Landlord:**  
**Build, LLC**

By:   
Larry Taylor

*Build, LLC Managing Partner*

**Tenant:**  
**Oleander, Inc.**

By:   
Jerry Workman



**State of Alaska**  
**Department of Commerce, Community, and Economic Development**  
**Corporations, Business, and Professional Licensing**

## **Certificate of Organization**

The undersigned, as Commissioner of Commerce, Community, and Economic Development of the State of Alaska, hereby certifies that a duly signed and verified filing pursuant to the provisions of Alaska Statutes has been received in this office and has been found to conform to law.

ACCORDINGLY, the undersigned, as Commissioner of Commerce, Community, and Economic Development, and by virtue of the authority vested in me by law, hereby issues this certificate to

**Raspberry Roots, LLC**



IN TESTIMONY WHEREOF, I execute the certificate  
and affix the Great Seal of the State of Alaska  
effective **February 25, 2016**.

A handwritten signature in black ink, appearing to read "Chris Hladick".

Chris Hladick  
Commissioner



THE STATE

of  
**ALASKA**

Department of Commerce, Community, and Economic Development  
Division of Corporations, Business, and Professional Licensing  
PO Box 110806, Juneau, AK 99811-0806  
(907) 465-2550 • Email: [corporations@alaska.gov](mailto:corporations@alaska.gov)  
Website: [Corporations.Alaska.gov](http://Corporations.Alaska.gov)

Date Filed: 02/25/2016  
State of Alaska, DCCED

FOR DIVISION USE ONLY

## Articles of Organization

Domestic Limited Liability Company

Web-2/25/2016 2:30:37 PM

### 1 - Entity Name

**Legal Name:** Raspberry Roots, LLC

### 2 - Purpose

Cultivation, processing and sale of crops and any lawful purpose.

### 3 - NAICS Code

111998 - ALL OTHER MISCELLANEOUS CROP FARMING

### 4 - Registered Agent

**Name:** Jana Weltzin

**Mailing Address:** 601 W 5th Ave, Anchorage, AK 99501

**Physical Address:** 601 W 5th Ave, Anchorage, AK 99501

### 5 - Entity Addresses

**Mailing Address:** 601 W 5th Ave, Anchorage, AK 99501

**Physical Address:** 501 Raspberry Road, Anchorage, AK 99518

### 6 - Management

The limited liability company is managed by a manager.

## 7 - Officials

Name	Address	% Owned	Titles
Kim Kole			Organizer

### Name of person completing this online application

I certify under penalty of perjury under the Uniform Electronic Transaction Act and the laws of the State of Alaska that the information provided in this application is true and correct, and further certify that by submitting this electronic filing I am contractually authorized by the Official(s) listed above to act on behalf of this entity.

**Name:** Jana D. Weltzin





THE STATE  
of ALASKA

Department of Commerce, Community, and Economic Development  
Division of Corporations, Business, and Professional Licensing  
PO Box 110806, Juneau, AK 99811-0806  
(907) 465-2550 • Email: corporations@alaska.gov  
Website: corporations.alaska.gov

AK Entity #: 10036166  
Date Filed: 12/19/2019  
State of Alaska, DCCED

FOR DIVISION USE ONLY

**Domestic Limited Liability Company**

**2020 Biennial Report**

For the period ending December 31, 2019

Web-12/19/2019 11:40:01 AM

**Due Date:** This report along with its fees are due by January 2, 2020

**Fees:** If postmarked before February 2, 2020, the fee is \$100.00.

If postmarked on or after February 2, 2020 then this report is delinquent and the fee is \$137.50.

**Entity Name:** Raspberry Roots, LLC

**Entity Number:** 10036166

**Home Country:** UNITED STATES

**Home State/Prov.:** ALASKA

**Physical Address:** 501 RASPBERRY ROAD, ANCHORAGE,  
AK 99518

**Mailing Address:** 3003 MINNESOTA DR, SUITE 201,  
ANCHORAGE, AK 99503

**Registered Agent** information cannot be changed on this form. Per Alaska Statutes, to update or change the Registered Agent information this entity must submit the Statement of Change form for this entity type along with its filing fee.

**Name:** Jana Weltzin

**Physical Address:** 901 PHOTO AVE, ANCHORAGE, AK  
99503

**Mailing Address:** 901 PHOTO AVE, ANCHORAGE, AK  
99503

**Officials:** The following is a complete list of officials who will be on record as a result of this filing.

- **Provide all officials and required information. Use only the titles provided.**
- **Mandatory Members:** this entity must have at least one (1) Member. A Member must own a %. In addition, this entity must provide all Members who own 5% or more of the entity. A Member may be an individual or another entity.
- **Manager:** If the entity is manager managed (per its articles or amendment) then there must be at least (1) Manager provided. A Manager may be a Member if the Manager also owns a % of the entity.

Full Legal Name	Complete Mailing Address	% Owned	Manager	Member
Kimberley Kole	12651 SCHOONER DR, ANCHORAGE, AK 99515	45.00	X	X
Jerry Workman	501 RASPBERRY RD, ANCHORAGE, AK 99518	55.00	X	X

If necessary, attach a list of additional officers on a separate 8.5 X 11 sheet of paper.

**Purpose:** Cultivation, processing and sale of crops and any lawful purpose.

**NAICS Code:** 111998 - ALL OTHER MISCELLANEOUS CROP FARMING

**New NAICS Code (optional):**

This form is for use by the named entity only. Only persons who are authorized by the above Official(s) of the named entity may make

changes to it. If you proceed to make changes to this form or any information on it, you will be certifying under penalty of perjury that you are authorized to make those changes, and that everything on the form is true and correct. In addition, persons who file documents with the commissioner that are known to the person to be false in material respects are guilty of a class A misdemeanor. Continuation means you have read this and understand it.

**Name:** Jana Weltzin

# **The Operating Agreement of Raspberry Roots, LLC**

## **An Alaska Limited Liability Company**

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## Securities Law Disclosure

The Membership Interests or percentages of ownership of Raspberry Roots LLC (*Company*) have not been and will not be registered under the Securities Act of 1933, as amended (*Securities Act*); under any other federal securities laws; or under the securities laws of any state. The Membership Interests or percentages of ownership are offered and sold without registration based on exemptions from the registration requirement of the Securities Act and laws and regulations enacted by the Securities and Exchange Commission.

The Company will not be subject to the reporting requirements of the Securities Exchange Act of 1934, as amended, and will not file reports, proxy statements, or other information with the Securities and Exchange Commission or with any state securities commission.

The Limited Liability Company Membership Interests of the Company may not be offered for sale, sold, pledged, or otherwise transferred unless registered or qualified under applicable securities laws, or unless exempted from registration or qualification. Counsel for the owner of the Interest must appropriately register or qualify that Interest or establish any applicable exemption from registration or qualification; this opinion of counsel must be reasonably satisfactory to the Company.

**No Member may register any Interest in the Company under any federal or state securities law without the express written consent of all Members.**

**The Members understand that some of the restrictions inherent in this form of business, and specifically set forth in this Agreement, may have an adverse impact on the fair market value of the Membership Interests if a Member attempts to sell or borrow against the Membership Interest in the Company.**

## **Member Acknowledgment**

By signing this Agreement, each Member agrees to the following provisions.

### **Exempt from Registration**

Investment in the Member's Interest (*Interest*) in the Company involves a high degree of risk and is suitable only for sophisticated investors. Interests are being offered in reliance upon one or more exemptions from registration under the Securities Act, and any Securities Act of Alaska.

### **Member's Personal Investment**

The Member is purchasing the Interest for the Member's own investment and with no intent to distribute or resell to any other person.

### **Registration or Opinion of Counsel before Transfer**

In addition to other prohibitions and restrictions on transfer under this Agreement, the Interest will not be sold publicly without registration under the Securities Act and any applicable state securities law. Before any public sale, the selling Member must first obtain opinion of counsel that registration is not required in connection with any transaction; this opinion must be satisfactory to the Company. In no event may any Interest be sold within twelve (12) months of original issue to that Member.

### **Member's Principal Address**

This Agreement notes each Member's principal address. Each Member shall notify the Company in writing within five (5) days of any change to this address.

### **Access to Facts**

Each Member has had and continues to have access to all material facts regarding the Interest and is satisfied as to the advisability of making this investment.

### **No Right to Registration**

No Member may require the Company to register any Interest under federal or state securities laws at any time, or to join in any future registration.

### **Hold Harmless**

Each Member agrees to hold the Company and its Members, Member Principals, Organizers, controlling Persons (as defined in the Securities Act), and any persons affiliated with any of them or with the distribution of the Interest, harmless from all expenses, liabilities, and damages (including reasonable attorneys' fees) arising from a disposition of the Interest in any manner that violates the Securities Act, any applicable state securities law, or this Agreement.



# **Raspberry Roots, LLC**

**an Alaska Limited Liability Company**

## **Article One**

### **Company Formation**

#### **Section 1.01 The Limited Liability Company**

This Agreement, dated March 1, 2016, sets forth the rights, duties, obligations, and responsibilities of the Members regarding the Company. The Company became effective upon the filing of Articles of Organization, as required by the State of Alaska, on February 25, 2016. The Members and their percentages of ownership are identified in the schedule attached to this Agreement as Exhibit A.

In consideration of the mutual promises, obligations, and agreements set forth in this Agreement, the parties to this Agreement agree to be legally bound by its terms.

#### **Section 1.02 The Company's Name**

The Company's name is Raspberry Roots, LLC. The Members may change the name of the Company or operate the Company under different names.

#### **Section 1.03 Tax Classification as a Partnership**

The Members intend to establish an entity that is subject to taxation as a partnership.

#### **Section 1.04 Company's Purpose and Scope**

The Company is organized to conduct any lawful purpose permitted under the Act.

In order to accomplish these purposes, the Company may:

- own, acquire, manage, manufacture, cultivate, retail, develop, operate, buy, sell, exchange, finance, refinance, and otherwise deal with real, personal, tangible, and intangible property, and any type of business, as the Members determine from time to time to be in the best interests of the Company; and

- conduct any lawful business and investment activity permitted under the laws of Alaska and in any other jurisdiction in which the Company may have a business or investment interest in order to accomplish these objectives.

The Company may engage in any other activities that are related or incidental to these purposes, as the Members may determine with sole and absolute discretion.

### **Section 1.05      The Company's Principal Office and Location of Records**

The street address of the principal office in the United States where the Company maintains its records is:

501 Raspberry Road  
Anchorage, Alaska 99518

or where the Members otherwise determine. The records maintained by the Company must include all records that the law requires the Company to maintain. The Company must maintain a records office in any jurisdiction that requires a records office and the Company must maintain all records required by applicable law at each records office.

### **Section 1.06      Registered Agent and Registered Office**

The Company's registered agent is Jana Weltzin (JDW, LLC), and the Company's registered office is located at:

3003 Minnesota Drive Suite 201  
Anchorage, Alaska 99503

### **Section 1.07      The Company's Term**

The Company's duration is perpetual. The Company began on February 25, 2016 and continues until terminated or dissolved by this Agreement.

### **Section 1.08      Venue**

Venue for any dispute arising under this Operating Agreement or any disputes among any Members or the Company will be in the county of the Company's Registered Office.

## **Article Two Tax Matters**

### **Section 2.01      Tax Classification**

Unless the Members elect not to be treated as a partnership for federal income tax purposes, the federal income tax basis of a Member's Membership Interest and all other matters relating to the distributive share and taxation of items of income, gain, loss, deduction, depreciation, and credit will be as established by Internal Revenue Code Subchapter K.

### **Section 2.02      Legal and Accounting Costs for Tax Matters**

The Company must pay all legal and accounting costs associated with any Internal Revenue Service proceeding regarding the Company's tax returns.

#### **(a)      Discretion as to Tax Matters**

The Company shall notify all of the Members upon receipt of any notice regarding any examination by any state, federal, or local authority regarding the Company's tax compliance. Subject to its fiduciary duty to the Members, the Company may determine whether to contest any

proceedings, how to pursue any proceedings, and whether and on what terms to settle any dispute with the Internal Revenue Service.

**(b) Tax Classification as a Partnership**

Unless the Members unanimously elect not to be treated as a partnership for federal income tax purposes, the Company shall take all steps reasonably necessary to classify the Company as a partnership for tax purposes under the Code and Regulations.

The Company shall, if appropriate, prepare and file any forms necessary or appropriate to classify the Company as a partnership under the laws of any jurisdiction in which the Company transacts business.

**Section 2.03 Tax Elections**

The Members must make any applicable or available tax elections on behalf of the Company by unanimous vote—including any decision to change the tax classification of the company from partnership to corporation, or from corporation to partnership.

## **Article Three**

### **Membership Interests**

**Section 3.01 Membership Interest in the Company**

Each Member's Membership Interest is the percentage interest in the attached Exhibit A. The Company shall maintain a correct record of all Members and their Membership Interests together with amended and revised schedules of ownership caused by changes in the Members and changes in Membership Interests.

**Section 3.02 Valuing Membership Interests in the Company**

For all purposes, the value of the Company as an entity and of Membership Interests will be their respective fair market values. Any dispute, contest, or issue of fair market value will be resolved by a written Qualified Appraisal by a Qualified Appraiser selected by the Members.

## **Article Four**

### **Company Management**

**Section 4.01 Management by its Members**

The Company is a manager-managed Alaska limited liability company. As such, it shall be governed, operated and managed pursuant to the unanimous consent and authority of its Managers.

The Managers must act in good faith; with the care that an ordinarily prudent person in a similar position would exercise under similar circumstances, and in a manner each Manager reasonably believes to be in the best interests of the Company.



#### **Section 4.02      Signing Documents**

The Manager of the Company shall be required to accept and execute any instruments, contracts, agreements, or other documents for the acquisition, encumbrance, or disposition of the Company's property.

#### **Section 4.03      Voting**

The unanimous consent and approval of the Managers shall be required when voting on any matter affecting, binding or otherwise having to do with the Company and its business.

#### **Section 4.04      No Authority of Individual Members**

No individual Member is an agent of the Company, and no Member may make any contracts, enter into any transactions, or make any commitments on the Company's behalf. The consent and approval of the Managers of the Company is required to act on behalf of or bind the Company.

#### **Section 4.05      Non-Liability of Members for Acts, Omissions, or Forbearances in Their Managerial Capacity**

To the extent permitted by Alaska law, all Members are released from liability for damages and other monetary relief because of any act, omission, or forbearance in their capacity as a Manager of the Company. This release does not protect any Member from being required by a court to purchase the Membership Interest of another Member who successfully contends that the Member committed actionable oppressive acts to the prejudice of the other Member. No amendment or repeal of this provision affects any liability or alleged liability of any Member for acts, omissions, or forbearances that occurred before the amendment or repeal.

#### **Section 4.06      Powers**

In pursuing its lawful purposes, the Company may do all things that limited liability companies are permitted to do under the Act.

### **Article Five The Members**

#### **Section 5.01      Members' Names and Addresses**

The Company shall maintain an updated list of all past and present Members of the Company, and their last known mailing addresses. The list must be kept as part of the Company records.

#### **Section 5.02      Limited Liability of Members**

No Member will be required to contribute capital to the Company for the payment of any losses or for any other purposes, and no Member will be responsible or obligated to any third party for any debts or liabilities of the Company in excess of the amount of:

that Member's unpaid required contributions to the Company's capital;  
unrecovered contributions to the Company's capital; and  
that Member's share of any undistributed Company profits.

### **Section 5.03 Access to Information**

Subject to the provisions of this Section, each Member is entitled to all information regarding the Company under the circumstances and subject to the conditions stated in this Agreement and the Act.

All Members who obtain any information are subject to the confidentiality provisions of this Section. The Members acknowledge that they may receive confidential information regarding the Company, the release of which may be damaging to the Company or to persons with whom it does business. Each Member shall hold in strict confidence any information regarding the Company that is confidential, and may not disclose it to any person other than another Member, except if any such Member is compelled by law, but the Member must notify the other Members promptly of any request for that information before making any such disclosure.

## **Article Six General Matters**

### **Section 6.01 Definitions**

For purposes of this Agreement, the following terms have the following meanings.

**(a) Act**

*Act* means the A.S. § 32 et seq., as amended from time to time.

**(b) Affiliated Person**

*Affiliated Person* means a Member, a member of an individual Member's Immediate Family, a Legal Representative, or trust for the benefit of a Member and members of the Immediate Families of the individual Member, and any corporation or other legal entity of which a majority of the voting interest is owned by any one or more Affiliated Persons.

**(c) Agreement**

*Agreement* means this Operating Agreement, as amended from time to time.

**(d) Articles of Organization**

*Articles of Organization* means the Articles of Organization filed with the Alaska Corporation Commission as required by the Act, or any other similar instrument required to be filed by the laws of any other state in which the Company intends to conduct business.

**(e) Company**

*Company* means Raspberry Roots, LLC, an Alaska limited liability company.

**(f) Delivery**

*Delivery* means:

personal delivery to a party;

mailing by certified United States mail to the last known address of the party to whom delivery is made, with return receipt requested to the party making delivery;

facsimile transmission to a party when receipt is confirmed in writing or by electronic transmission back to the sending party; or

electronic mail transmission to a party when receipt is confirmed in writing or by electronic mail transmission back to the sending party.

The effective date of delivery is the date of personal delivery or the date of the return receipt, if received by the sending party. If no return receipt is provided, then the effective date will be the date the transmission would have normally been received by certified mail if there is evidence of mailing.

**(g) Immediate Family**

*Immediate Family* means any Member's spouse (but not a spouse who is legally separated from the person under a decree of divorce or separate maintenance), parents, parents-in-law, descendants (including descendants by adoption), brothers, sisters, brothers-in-law, sisters-in-law, and grandchildren-in-law.

**(h) Including and Includes**

In this Agreement, the words *include*, *includes*, and *including* mean *include* without limitation, *includes* without limitation, and *including* without limitation, respectively. *Include*, *includes*, and *including* are words of illustration and enlargement, not words of limitation or exclusivity.

**(i) Independent Person**

*Independent Person* means an individual who is not related to or subordinate to a claimant or respondent of any controversy concerning the Company, is not a Member of the Company, and has no financial stake in the resolution of the controversy other than fair and reasonable compensation for services provided to resolve the controversy.



**(j) Internal Revenue Code**

References to the *Internal Revenue Code* or to its provisions are to the Internal Revenue Code of 1986, as amended from time to time, and any corresponding Treasury Regulations. References to the *Treasury Regulations* are to the Treasury Regulations under the Internal Revenue Code in effect. If a particular provision of the Internal Revenue Code is renumbered or a subsequent federal tax law supersedes the Internal Revenue Code, any reference is to the renumbered provision or to the corresponding provision of the subsequent law, unless the result would be clearly contrary to the Members' intent as expressed in this Agreement. The same rule applies to Treasury Regulations references.

**(k) Legal Representative or Personal Representative**

The terms *Legal Representative* and *Personal Representative* mean a person's guardian, conservator, executor, administrator, Trustee, or any other person or entity personally representing a person or the person's estate.

**(l) Market Rate of Interest or Market Rate**

The terms *market rate of interest* and *market rate* mean the rate of interest identified as the *prime rate* by the *Wall Street Journal* in its "Money Rates" column; or, if two or more rates are reported as the prime rate, the average of the two or more. If Internal Revenue Code Sections 483 and 1274A apply to this transaction, the minimum rate of interest of the purchase money obligation will be fixed at the rate of interest then required by those Sections.

**(m) Member**

*Member* means any person or legal entity designated in this Agreement as a Member or any person or legal entity who becomes a Member under this Agreement as identified and described in Exhibit A attached and incorporated herein by reference.

**(n) Members**

The term *Members* means all of the Members of the Company as identified and described in Exhibit A attached and incorporated herein by reference.

**(o) Membership Interest**

*Membership Interest* means the ownership interest and rights of a Member in the Company, including the Member's right to a distributive share of the profits and losses, the distributions, and the property of the Company and the right to consent or approve Company actions. All Membership Interests are subject to the restrictions on transfer imposed by this Agreement. Each Member's Interest is personal property and no Member will acquire any interest in any of the assets of the Company.

Each holder of a Membership Interest will have the right to vote the holder's proportionate interest in the Company regarding all matters that Members have a right to vote on under this Agreement or by law.

**(p) Person**

*Person* has the same broad meaning as defined in Internal Revenue Code Section 7701(a)(1). The term specifically includes the Company; its successors and assigns; each Member or Assignee, and their successors, assigns, heirs, and personal representatives. The phrase *each other person* identifies any individual, corporation, partnership, limited liability company, trust, or other party whose interest may be affected, adversely or otherwise, by the resolution of any dispute, contest, or claim.

**(q) Property**

*Property* means all Company property and rights as described herein and any property, real or personal, tangible or intangible, otherwise acquired by the Company.

**(r) Qualified Appraiser and Qualified Appraisal**

A *Qualified Appraiser* means an appraiser who is a Member of the American Society of Appraisers, Business Valuations Division and accredited to perform business appraisals or valuations by this organization; or, alternatively, a certified public accountant accredited in business valuation by the American Institute of Certified Public Accountants. A *Qualified Appraisal* means any appraisal performed by a Qualified Appraiser.

**(s) Securities Act**

*Securities Act* refers to the Securities Act of 1933, as amended.

**(t) Taxable Year**

*Taxable Year* means the calendar year or any other accounting period selected by the Members. Taxable Year is synonymous with fiscal year for all purposes of this Agreement.

**(u) Unanimous Consent**

*Unanimous Consent* shall mean the consent and approval of all the Members of the Company.

**Section 6.02 Changing the Company's Situs**

The Company's situs may be changed only by the unanimous written consent of all of the Members.

**Section 6.03 No Duty to Mail Articles of Organization**

The Company does not have an obligation to deliver or mail copies of the Articles of Organization or any amendments to the Members unless required to do so by the Act.

## **Section 6.04      General Matters**

The following general provisions and rules of construction apply to this Agreement:

### **(a)      Multiple Originals; Validity of Copies**

This Agreement may be signed in any number of counterparts, each of which will be deemed an original.

Any person may rely on a copy of this Agreement that the Manager certifies to be a true copy to the same effect as if it were an original.

### **(b)      Singular and Plural; Gender**

Unless the context requires otherwise, words denoting the singular may be construed as plural and words of the plural may be construed as denoting the singular. Words of one gender may be construed as denoting another gender as is appropriate within the context. The word *or*, when used in a list of more than two items, may function as both a conjunction and a disjunction as the context requires or permits.

### **(c)      Headings of Articles, Sections, and Subsections**

The headings of Articles, Sections, and Subsections used within this Agreement are included solely for the reader's convenience and reference. They have no significance in the interpretation or construction of this Agreement.

### **(d)      Governing Law**

This Agreement is governed, construed, and administered according to the laws of Alaska, as from time to time amended, except as to trust property required by law to be governed by the laws of another jurisdiction, and unless the situs of administration is changed.

### **(e)      Notices**

Unless otherwise stated, whenever this Agreement calls for notice, the notice must be in writing and must be personally delivered with proof of delivery, or mailed postage prepaid by certified mail, return receipt requested, to the last known address of the party requiring notice. Notice is effective on the date personally delivered or on the date of the return receipt. If a party giving notice does not receive the return receipt but has proof that he or she mailed the notice, notice will be effective on the date it would normally have been received by certified mail. If notice is required to be given to a minor or incapacitated individual, notice must be given to the minor or incapacitated individual's parent or Legal Representative.

### **(f)      Severability**

The invalidity or unenforceability of any provision of this Agreement does not affect the validity or enforceability of any other provision of this Agreement. If a court of competent jurisdiction determines that any



provision is invalid, the remaining provisions of this Agreement are to be construed as if the invalid provision had never been included in this Agreement.

**(g) Acceptance**

Each Member has reviewed this Agreement, accepts all its provisions, and agrees to be bound by all the terms, conditions, and restrictions contained in this Agreement.

[REMAINDER OF THIS PAGE INTENTIONALLY BLANK]

[SIGNATURES TO FOLLOW ON THE NEXT PAGE]

ACCEPTED AND APPROVED:

MANAGER:

  
\_\_\_\_\_  
Kimberley A. Kole, Manager

MEMBERS:

Kimberley A. Kole  
an individual,

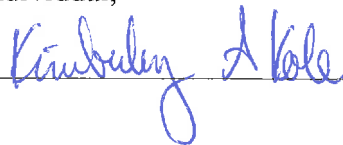
By:  \_\_\_\_\_

EXHIBIT A

(Member Names and Membership Interests)

<u>Member Names</u>	<u>Membership Interests</u>
Kimberley A. Kole an individual	100%
	-
	-
	-
	-
	-
	-
TOTAL:	100.00%