



Public Notice

Application for Marijuana Establishment License

License Number: 10201

License Status: Active-Operating

License Type: Standard Marijuana Cultivation Facility

Doing Business As: HAPPY CANNABIS

Business License Number: 1033845

Email Address: kjm420@hotmail.com

Latitude, Longitude: 56.471000, -132.383000

Physical Address: 225 South Front Street
Wrangell, AK 99929
UNITED STATES

Licensee #1	Licensee #2
Type: Individual	Type: Individual
Name: KELSEY J MARTINSEN	Name: SARINEE NUAMNUI
Phone Number: 907-305-0292	Phone Number: 907-305-0292
Email Address: kjm420@hotmail.com	Email Address: kjm420@hotmail.com
Mailing Address: po box 110 Wrangell, AK 99929 UNITED STATES	Mailing Address: po box 110 Wrangell, AK 99929 UNITED STATES

Note: No entity officials entered for this license.

Note: No affiliates entered for this license.

Interested persons may object to the application by submitting a written statement of reasons for the objection to their local government, the applicant, and the Alcohol & Marijuana Control Office (AMCO) not later than 30 days after the director has determined the application to be complete and has given written notice to the local government. Once an application is determined to be complete, the objection deadline and a copy of the application will be posted on AMCO's website at <https://www.commerce.alaska.gov/web/amco>. Objections should be sent to AMCO at marijuana.licensing@alaska.gov or to 550 W 7th Ave, Suite 1600, Anchorage, AK 99501.

POSTING DATE _____

Alcohol & Marijuana Control Office**License Number:** 10201**License Status:** Active-Operating**License Type:** Standard Marijuana Cultivation Facility**Doing Business As:** HAPPY CANNABIS**Business License Number:** 1033845**Designated Licensee:** Kelsey Martinsen**Email Address:** kjm420@hotmail.com**Local Government:** Wrangell (City and Borough of)**Local Government 2:****Community Council:****Latitude, Longitude:** 56.471000, -132.383000**Physical Address:** 225 South Front Street
Wrangell, AK 99929
UNITED STATES**Licensee #1****Type:** Individual**Name:** KELSEY J MARTINSEN**SSN:** [REDACTED]**Date of Birth:** [REDACTED]**Phone Number:** 907-305-0292**Email Address:** kjm420@hotmail.com**Mailing Address:** po box 110
Wrangell, AK 99929
UNITED STATES**Licensee #2****Type:** Individual**Name:** SARINEE NUAMNUI**SSN:** [REDACTED]**Date of Birth:** [REDACTED]**Phone Number:** 907-305-0292**Email Address:** kjm420@hotmail.com**Mailing Address:** po box 110
Wrangell, AK 99929
UNITED STATES**Entity Official #1****Type:** Individual**Name:** Sarinee Nuamnui**SSN:** [REDACTED]**Date of Birth:** [REDACTED]**Phone Number:** 907-305-0292**Email Address:** kjm420@hotmail.com**Mailing Address:** po box 110
Wrangell, AK 99929
UNITED STATES**Entity Official #2****Type:** Individual**Name:** Kelsey Martinsen**SSN:** [REDACTED]**Date of Birth:** [REDACTED]**Phone Number:** 907-305-0292**Email Address:** kjm420@hotmail.com**Mailing Address:** po box 110
Wrangell, AK 99929
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:	Kelsey J. Martinsen, Sarinee Nuamnui	License Number:	10201		
License Type:	Standard Marijuana Cultivation Facility				
Doing Business As:	Happy Cannabis				
Premises Address:	225 South Front Street				
City:	Wrangell	State:	Alaska	ZIP:	99929

Section 2 – Individual Information

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

Name:	Kelsey J. Martinsen
Title:	Owner Operator

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, 2019 and June 30, 2020.

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).



Form MJ-20: Renewal Application Certifications

Section 4 – Certifications

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.

[Handwritten initials]

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.

[Handwritten initials]

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

[Handwritten initials]

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

[Handwritten initials]

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

[Handwritten initials]

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.

[Handwritten initials]

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.

[Handwritten initials]

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.

[Handwritten Signature]
Signature of licensee

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

Kelscy J. Martinsen
Printed name of licensee

My commission expires: 7-22-22

Subscribed and sworn to before me this 22nd day of June, 2020.





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:	Sarinee Nuamnui, Kelsey J. Martinsen	License Number:	10201		
License Type:	Standard Marijuana Cultivation Facility				
Doing Business As:	Happy Cannabis				
Premises Address:	225 South Front Street				
City:	Wrangell	State:	Alaska	ZIP:	99929

Section 2 – Individual Information

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

Name:	Sarinee Nuamnui
Title:	Owner

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.

SN

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.

SN

I certify that a notice of violation has **not** been issued to this license between July 1, 2019 and June 30, 2020.

SN

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

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.

SN

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.

SN

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

SN

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

SN

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

SN

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.

SN

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.

SN

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.

Saxinee Nuammui

Signature of licensee

Aleisha Mollen

Notary Public in and for the State of Alaska

Saxinee Nuammui

Printed name of licensee

My commission expires: 7-22-2022

Subscribed and sworn to before me this 22nd day of June, 2020.



COMMERCIAL PROPERTY LEASE AGREEMENT

between

Kelsey Jene Martinsen and Sarinee Nuamnui,
P.O. Box 110
Wrangell, AK 99929
as Landlord

and

Kelsey Jene Martinsen and Sarinee Nuamnui,
DBA Happy Cannabis
225 Front Street
Wrangell, Alaska 99929
as Tenant.

Effective Date

April 1, 2016

PARTIES

This agreement ("Agreement" or "Lease") is made effective the 1st day of April, 2016, by and between Kelsey Jene Martinsen and Sarinee Nuamnui, P.O. Box 110, Wrangell, AK 99929 ("Landlord") and Kelsey Jene Martinsen and Sarinee Nuamnui, DBA Happy Cannabis, 225 Front Street, Wrangell, Alaska 99929 (Tenant").

RECITALS

A. Landlord: (i) is the owner of developed commercial real property located at 225 Front Street, Wrangell, Alaska more particularly described below (the "Real Property" or "Premises"); (ii) desires to lease such Real Property with the improvements existing thereon to Tenant;

B. Tenant wishes to lease from Landlord the Commercial Real Property with its improvements, located at 225 Front Street, Wrangell, Alaska 99929.

CONSIDERATION

For good and valuable consideration received and to be received, the sufficiency of which is hereby acknowledged by the parties; the parties have agreed, and hereby agree, as follows:

TERMS AND CONDITIONS

1. Demise of Premises.

Landlord agrees to lease to Tenant and Tenant agrees to lease from Landlord that portion of following described Real Property known as 225 Front Street, located in the Wrangell Recording District, First Judicial District, State of Alaska:

A portion of Lot One (1), Block One-A (1-A), Tidelands Addition to U.S. Survey 1119, Wrangell Subdivision, according to the official tideland subdivision plat, prepared by Hubbell and Waller Engineering Corporation, approved by the Common Council of the City of Wrangell on October 13, 1964 and filed April 12, 1965 as Plat No. 65-87, Wrangell Recording District, First Judicial District, State of Alaska.

2. Term.

The term of this lease shall be for a period of one (1) year, commencing on the 1st day of April 2016, ("Commencement Date") and ending on the 30th day of March 2016, and subject to the renewal and termination provisions contained herein.

3. Option to Renew.

Tenant is granted the right to renew this Lease for ten additional periods of one year each. This Lease shall automatically renew unless Tenant gives written notice by certified mail, delivered to addressee only, return receipt requested, at least one month prior to the end of the normal one-year term of this lease that Tenant has elected not to renew this Lease. Tenant may also personally serve Landlord in a manner according to the Superior Court rules, in and for the First Judicial District, State of Alaska, the election to not renew. At least one month prior to the renewal date, the Tenant shall provide Landlord with a Notice which shall specify and include all of Tenant signatures, and shall notify Landlord in writing of the then existing legal nature of Tenant, together with Articles of Incorporation or partnership or limited partnership or certificate of formation of limited liability company, as the case may be, names, addresses and telephone numbers of all persons involved in an ownership position of Tenant.

4. Rescision of Previous Agreements

Upon the execution of this agreement by the Landlord and the Tenant, all previous lease agreements for the real property described in Paragraph 1, between the Landlord and the Tenant or any portion thereof are rescinded and held null and void.

5. Base Rent.

The parties have agreed that the rent shall be Ten Dollars (\$10.00) per year

6. Utilities.

Tenant, upon execution of this lease agrees to contract with the appropriate provider of utilities and pay for all public utilities which shall be used in or charged against the Real Property and to hold the Landlord harmless from such charges.

7. Insurance.

Tenant, upon execution of this lease, shall provide the following:

- a. **Property Insurance:** Tenant shall, at Tenant's expense, maintain on all improvements belonging to Landlord and on all of Tenant's personal property and leasehold improvements and alterations on the Premises, full coverage for property damage, including special form perils insurance coverage, of their replacement value, including demolition costs. The property coverage shall include coverage relating to Ordinance and Law issues. This provision shall be satisfied if Landlord maintains the required property insurance and is reimbursed by tenant.

- b. **Liability Insurance:** Tenant shall, at its own expense, maintain throughout the term of this Lease, commercial general liability limits (BI & PD) \$1,000,000 per occurrence and \$2,000,000 aggregate; sexual molestation coverage, \$100,000 per occurrence, \$300,000 aggregate; professional liability \$1,000,000; owned auto & non-owned auto liability \$1,000,000 per occurrence. The tenant shall maintain a commercial umbrella policy with additional \$1,000,000 limits over the commercial general liability and the commercial auto coverages. Within a reasonable time but in no case beyond a year after the effective date of this lease, this coverage shall be reviewed and coverages adjusted to reflect current industry standards. At each five (5) year anniversary date of the effective date of this lease, these limits shall be reviewed to determine the change in industry standards and then adjusted accordingly.

Certificates: In all policies the Tenant is to provide, the Landlord shall be named as an additional insured, and shall be furnished a copy of such policy or policies or certificate(s) of coverage, or both, at the Landlord's election. Each certificate of insurance shall provide that the insurance policy or policies are not subject to cancellation without at least thirty (30) days advance written notice of such cancellation having been first given to the Landlord.

Any General Contractor performing more than fifty thousand dollars (\$50,000.00) of work on the site shall name the Landlord as an additional insured on its liability policies and provide the Landlord with certificates of insurance indicating the same.

8. Waiver of Subrogation.

Neither Landlord nor Tenant shall be liable to the other (by way of subrogation or otherwise) or to any insurance company insuring the other party for any loss or damage to the Premises, the improvements or any structure or other tangible property located

therein, or any resulting loss of income, or losses under worker's compensation laws and benefits, even though such loss or damage might have been incurred by the negligence of such party, its agents or employees, if any such loss or damage is covered by insurance benefiting the party suffering such loss or damage or was required to be covered by insurance pursuant to this Lease. This waiver applies to each party's directors, officers, employees, shareholders, members, and agents. The waiver does not apply to claims caused by a party's willful misconduct. Tenant and Landlord shall promptly give notice to their insurance carriers) that the foregoing mutual waiver of subrogation is contained in this Lease. If either party, is thereafter unable to obtain insurance at reasonable commercial rates providing coverage under a waiver of subrogation within thirty 30 days of the Commencement Date of this Lease for Landlord or execution of a Construction Contract for Tenant, both parties shall be released from their obligation to obtain the Waiver.

9. Purpose: Operation of a cannabis growing and sales business.

Tenant intends to use the Real Property, to use existing buildings, and to construct additional buildings and related improvements for use as a cannabis growing and retail business and to conduct such other activities as are incidental and reasonably related to such facility or such other activities or legal uses to which the Landlord consents.

10. Construction of Improvements.

Tenant intends to use existing buildings and to construct or reconstruct one or more buildings to comprise a growing facility on the Premises. These improvements and any others Tenant intends to construct on the Premises shall be at Tenant's cost. The construction of all improvements, alterations and/or installation of fixtures shall be carried out by Tenant in a first-class manner at its sole cost and expense, and in full compliance with all federal, state, county and other governmental statutory and regulatory requirements. Until the expiration or sooner termination of this Lease, and subject to the provisions of the section entitled, DISPOSITION OF IMPROVEMENTS AT END OF LEASE, hereof, title to any improvements situated and constructed by Tenant on the Premises and any alteration, change or addition thereto, as well as title to fixtures and articles of personal property attached to or used in connection with the Premises by Tenant, shall remain solely in Tenant.

11. Disposition of Improvements at end of Lease.

Tenant shall have the right to remove all equipment, personal property, improvements, including any portable buildings constructed by Tenant premises, fixtures and trade fixtures which may have been placed upon the Premises by Tenant during the period of

this Lease, *provided* that the same are removed upon conclusion of the Lease and that the Lease is in good standing *and further provided* that Tenant shall not have the right to remove any equipment, personal property, improvements, fixtures or trade fixtures during any period of Tenant's default. Any equipment, personal property, improvements, on the premises and any structures erected by the tenant during the lease period, fixtures and trade fixtures not removed from the premises by Tenant at the termination or expiration of the Lease shall revert to Landlord. All other improvements shall become the property of the Landlord. If Tenant does not remove all equipment, personal property and trade fixtures which have been placed on the Premises by Tenant during the period of this Lease and Landlord wants the property removed, then the same shall be removed and stored at Tenant's expense and Landlord shall recover any costs and expenses from the Tenant resulting from the removal.

12. Condition of the Premises.

Landlord makes no warranties regarding the condition of the property, or its sub-surface conditions, and Tenant accepts the Premises in its present condition; is not relying upon any covenants, warranties or representations of Landlord as to its condition or usability, except Landlord's right to grant a lease of the property and subject to the covenants contained in the section of this Lease entitled ENVIRONMENTAL PROVISIONS; and agrees to make any changes in the Premises necessary to conform to federal, state and local law applicable to Tenant's use of the Premises.

13. Tenant will obtain Permits/Landlord Cooperation.

Tenant shall be solely responsible for obtaining and complying with all permits, approvals or licenses required for the operation and conduct of Tenant's activities and the construction, installation, erection and/or operation of any structures, facilities or equipment, including but not limited to, items constituting alterations or additions, or defined as trade fixtures on the Premises. Landlord shall cooperate with Tenant to obtain the approvals for structures and any other approvals needed for the construction. If Tenant fails to obtain and comply with such permits, then Tenant accepts full responsibility for any and all costs incurred by the Landlord, including actual attorney's fees, incurred by Landlord pursuing Tenant's default for its failure to obtain and/or comply with such permits. Tenant agrees to hold the Landlord harmless from any liability and to fully reimburse expenses of the Landlord for Tenant's failure to obtain and/or fully comply with any necessary permit.

14. Laws and Regulations.

The Tenant agrees, at its sole cost and expense, to conform to, comply with and abide by all lawful rules, codes, ordinances, requirements, orders, directions, laws and regulations of the United States, the State of Washington, and any municipality or agency of any of said entities, including without limitation those relating to environmental matters, now in existence or hereafter promulgated, applicable to the Tenant's use and operation of said Premises, including the construction of any improvements thereon, and not to permit said Premises to be used in violation of any of said rules, codes, laws or regulations. Any fees for inspection of the Premises during or for the term of this Lease by any federal, state or municipal officer shall be paid by Tenant. Tenant shall pay all costs, expenses, liabilities, losses, damages, fines, penalties, claims, and demands, including reasonable counsel fees that may in any manner arise out of or be imposed because of the failure of Tenant to comply with the covenants of this section.

15. Environmental Provisions.

This section delineates the Landlord's and the Tenant's rights and obligations with respect to the release, spillage, storage, transportation or any other aspect of handling hazardous or toxic materials of any nature ("Hazardous Material") regulated by federal and or state law ("Hazardous Material Regulation")

a. Tenant covenants to defend, indemnify, and hold Landlord harmless from any imposition or attempted imposition by any person upon Landlord of any obligation or cost ("liability") of whatever form, including, without limitation, damages; claims; governmental investigations, proceedings or requirements; attorney fees in investigation, at trial or administrative proceeding, or on appeal; witness or consultant costs; or any other liability to the extent that such liability arises from a violation, or alleged violation, or from the failure to satisfy a requirement, or alleged requirement, of any Hazardous Material Regulation and or any environmental or land use law or regulation or arising from the release, spillage, or any other mishandling or misuse of any Hazardous Material causing damage to the property of, or resulting in injury to, any third any person, and proximately resulting from Tenant's use of the Premises during the term of this Lease, and without regard to when the liability is asserted.

b. In like manner as in subsection (a.) above, so Landlord shall indemnify Tenant solely for liability proximately resulting from use of the Premises prior to the commencement of this Lease, or from conditions caused by Landlord subsequent to the Commencement Date.

c. Landlord represents and Tenant acknowledges that Landlord has visually inspected the Premises for legally impermissible Hazardous Material contamination and that none was apparent on the surface of the Premises from a

visual inspection as of the date of this Lease.

d. Tenant shall notify Landlord within twenty-four (24) hours of its discovery of any release of a reportable quantity of any Hazardous Material, or of the receipt by Tenant of any notices, orders or communications of any kind from any governmental entity which relate to the existence of or potential for Hazardous Material or environmental pollution of any kind existing on or resulting from the use of the Premises or any activity conducted thereon. If Tenant fails to comply with any of the requirements of this section, Landlord may undertake, without cost or expense to Landlord, any actions necessary to protect Landlord's interest including steps to comply with such laws.

16. Maintenance/Commit no Waste.

The Tenant shall at all times during the term of this Lease maintain the Premises in good condition, maintaining and repairing any structural defect to the premises, including the roof structure, exterior walls and foundations and shall maintain the structure of the buildings in a good state of repair. The Tenant shall replace any broken windows, maintain the heating system and hot water heater, and shall, at its sole cost and expense, keep the Premises neat, clean and in a safe and sanitary condition. Tenant shall maintain and repair in a good condition the interior of the buildings, including lighting, electrical and plumbing. Tenant shall be responsible to repair plumbing damage or repairs necessary beyond the foundation lines. Tenant shall maintain the yard area in its present or better condition. Tenant shall wash windows, maintain and repair carpet or flooring, sidewalks and walkways. Tenant shall maintain required fire extinguishers, alarm systems and life or safety equipment required. The Tenant shall maintain the kitchen area, including dishwasher, stove garbage disposal, and all other equipment. The tenant shall maintain blinds and window coverings. Tenant agrees not to allow conditions of waste and refuse to exist on the Premises. Tenant shall also maintain all improvements constructed by Tenant in good repair and in a neat and clean condition at all times.

17. Liens and Insolvency.

Tenant shall keep the Premises free from any liens arising out of work performed, materials furnished, or obligations incurred by Tenant. In the event Tenant becomes insolvent, voluntarily or involuntarily bankrupt, or if a receiver, assignee or other liquidating officer is appointed for the business of the Tenant, then the Landlord may cancel this Lease at Landlord's option.

18. Termination.

Upon Termination of this lease or any extension thereof, whether by expiration of the stated term or sooner termination thereon as herein provided, Tenant shall surrender to Landlord said Premises peaceably and quietly and in the condition required under paragraphs entitled Maintenance/Commit No Waste and Disposition of the improvements at End of Lease.

19. Default and Re-Entry

Time is of the essence of the agreement (i) If (a) any rent or other payment due from Tenant Hereunder remains unpaid for more than thirty (30) days after the ae it is due; (b) Tenant files a voluntary petition in bankruptcy or makes general assignment to the benefit of, or a general arrangement with, creditors; c() there is involuntary bankruptcy fled against Tenant that has not been dismissed within ninety (90) days of filing; (d) Tenant becomes insolvent; or (e) a receiver, trustee, or liquidating officer is appointed for Tenant's business; or (ii) If Tenant violates or Breaches any of the other covenants, agreements, stipulations or conditions herein, and such violation of breach shall continue for a period of thirty (30) days after written notice of such violation or breach is sent to Tenant, then Landlord may at its option declare this Lease forfeited and must contact State of Alaska Alcohol Marijuana Control Board stating the termination of the lease. Landlord may not make any attempt to take possession of cannabis and cannabis products. Once Landlord has secured permission from State of Alaska Alcohol Marijuana Control Board then the Landlord may at its option, declare this Lease forfeited and the term hereof ended and thereupon take such further actions to recover possession of the premises as my be permitted by law or, upon an abandonment of the Premises by Tenant without Tenant authorized Landlord to relet the Premises or any part thereof for such term or terms (which may be for a term extending beyond the term of this Lease) an at such rent or rents and upon such other terms and conditions as Landlord in is sole discretion deems advisable. Upon each such reletting, all rents received by landlord from such reletting shall be applied, first to the payment of any amounts other than rent due hereunder from Tenant to Landlord: second, to the payment of any costs and expenses of such reletting and renovation, including brokerage fees ad attorneys' fees; third, to the payment of the rent due and unpaid hereunder, and residue , if any shall be held by landlord and applied to payment of future rent as the same may become due and payable hereunder. If rent received from such reletting during any month are less than that to be paid during that month by tenant herder, Tenant shall pay any such deficiency to Landlord and Tenant covenants and agrees to pay Landlord for all other expenses resulting from its default, including , but not limited to, brokerage commissions, attorneys, fees and reasonable cost of converting the Premises for the benefit of the next Tenant. Delinquent rent and other payments shall bear interest at the rate of twelve percent (12%) per annum (at the prime rate plus four percent (4%) if that rate exceeds twelve percent(12%) at the time of delinquency from the date due until paid. In the event of any default hereunder and entry in, or taking possession of, the Premises in the Many provided by law. Landlord shall have the right, but not the obligation, to remove from the premises all

personal property located therein, and may store the same in any place selected by Landlord, including but not limited to a public warehouse, at the expense and risk of the owners thereof, with the right to sell such stored property, without notice to Tenant, after it has been stored for a period of thirty (30) days or more, with the proceeds of such sale to be applied to the cost of such sale and to the payment of charges for storage, and to the payment of any other sums of money which may then be due from Tenant to Landlord under any of the terms hereof.

If Landlord violates or breaches any of the other covenants, agreements, stipulations or conditions herein, and such violation or breach shall continue for a period of thirty (30) days after written notice of such violation or breach is sent to Landlord, then Tenant may at its option, declare this Lease terminated and the term hereof ended and thereupon take such further actions as are permitted under the section entitled DISPOSITION OF IMPROVEMENTS AT END OF LEASE herein. Alternatively, Tenant may continue the Lease and seek any other legal and equitable remedy available for Landlord's violation or breach.

20. Assignment and Sublease.

Tenant shall not, by operation of law or otherwise, assign or sublease any portion of the Premises without Landlord's prior written consent. The consent of Landlord to any assignment or sublease shall not in any manner be construed to relieve Tenant from obtaining Landlord's express written consent to any other or further assignment or sublease.

21. Landlord's Right to Enter Premises.

Landlord and/or its authorized representatives shall have the right to enter the Premises at all reasonable times for any of the following purposes:

- a. To determine whether or not the Premises are in good condition or whether the Tenant is complying with its obligations under this Lease;
- b. To do any necessary maintenance and to make any restoration to the Premises that the Landlord has the right or obligation to perform;
- c. To post "For Rent" or "For Lease" signs during any period that the Tenant is in default;
- d. To repair, maintain or improve the Premises; and
- e. To do any other act or thing necessary for the safety or preservation of the

Premises.

Except in the event of bona fide emergencies, Landlord shall provide notice to Tenant not less than twenty-four (24) hours in advance of any such inspection.

Landlord shall not be liable in any manner for any inconvenience, disturbance, loss of school time, interference with business advantage, nuisance, or other damage arising out of the Landlord's entry onto the Premises as provided in this section. Landlord shall conduct its activities on the Premises as provided herein in a manner that will cause the least inconvenience, annoyance or disturbance to the Landlord.

22. Notices.

All notices or payment hereunder may be delivered by hand, E-mail, facsimile or mailed to the parties at the addresses below. Notices are deemed given when received; mailed notices shall be deemed received three days after mailing.

LANDLORD:

Kelsey Jene Martinsen and Sarinee Nuamnui,
P.O. Box 110
Wrangell, AK 99929

TENANT:

Kelsey Jene Martinsen and Sarinee Nuamnui,
DBA Happy Cannabis
225 Front Street
Wrangell, Alaska 99929

23. Time is of the Essence.

It is mutually agreed and understood that time is of the essence in this Lease and that a waiver of any default of Tenant or Landlord shall not be construed as a waiver of any subsequent default, and that any Notice required to be given under this Lease may be given by United States Mail addressed to the party identified in paragraph 29, entitled NOTICES of this Lease, or to such other addressees) that either may hereafter provide in writing to the other party for such purpose.

24. Covenants and Warranties of Landlord.

a. Landlord and Warranties of Title. Landlord hereby represent and warrants

to tenant that it owns and holds good, marketable and unencumbered fee simple title to the Premises, subject only to (a) exceptions, reservations, restrictions, rights of way, easements, covenants, conditions, notations, orders and other matters of record, (b) obstructions, defects and encroachments which a thorough physical investigation, inspection and survey of the Premises and adjacent properties would reveal, and (c) orders, ordinances, rules, regulations, statutes, laws and codes applicable to the Premises.

b. Quiet Possession and Enjoyment. Tenant shall have quiet possession and enjoyment of the Premises during the Term hereof and any extension or renewal thereof.

c. Rights of Access, Ingress & Egress. During the Term hereof, Landlord shall continuously provide to Tenant rights of pedestrian and vehicular ingress and egress to the Premises from the public road or highway.

d. Landlord's Consent. Where the consent or approval of the Landlord is required hereunder, such consent shall not be unreasonably withheld.

25. Eminent Domain - Total Taking and Partial Taking.

If any part of the Premises shall be taken or condemned for public use and a part thereof remains which is susceptible of occupation hereunder, this Lease shall, as to the part taken, terminate as of the date the condemnor acquires possession, and thereafter Tenant shall be required to pay such proportion of the rent for the remaining term as the value of the Premises including improvements remaining bears to the total value of the Premises at the date of condemnation. In the event the Premises are condemned in whole, or that such portion is condemned that the remainder is not susceptible for use hereunder, this Lease shall terminate upon the date of possession of the condemnor. Any and all sums which may be payable on the account of the condemnation shall be allocated between land and improvements. Tenant shall be entitled to payments for taking improvements. Landlord shall be entitled to payments for taking land and loss of the Lease and revenue here from. Loss of business or occupancy, or other damage personal to the Tenant shall belong to the Tenant or those occupying the improvements. Moving expenses or other allowance allowed by statute or law shall be as specified in the statute or law.

26. Damage and Destruction.

In the event of destruction or substantial damage or other casualty of any building or structure on the Premises, which, in the sole opinion of Tenant, precludes continued use of the Premises as a school without reconstruction, Tenant may exercise the option to not

rebuild. If Tenant exercises its option to not rebuild, Tenant shall provide Landlord with written Notice of Tenant's election. Upon such written Notice to the Landlord, this Lease shall terminate on the date of said Notice or upon such other date provided in the Notice.

In the event that either of the original buildings, the house at 505 Spring Street or the house at 535 Spring Street, is destroyed or rendered unusable by fire or other calamity, the rent will be reduced during the rebuilding period by the same percentage that the fair market value of the overall property is reduced by the fact that a building was destroyed. If the building is not rebuilt or repaired by the landlord, the reduction in rent shall be permanent.

27. Tenant Security Assignment.

Landlord acknowledges that Tenant may seek private or bank financing with respect to construction of buildings on the Premises. In order to assist the Tenant in obtaining such financing, Landlord and Tenant agree as follows:

Tenant shall have no right, power or authority to assign all of any portion of Tenant's right, title or interest in or to this Agreement and/or its Leasehold Estate for security purposes other than as follows: Upon written notice to the Landlord, Tenant shall have the right to provide a financial institution or private party ("Security Assignee") with a security interest, lien or encumbrance, including a mortgage or deed of trust on Tenant's Leasehold Estate and/or assignment of Tenant's interest in this Agreement for security, provided that such security interest, lien or encumbrance: (a) does not extend or attach to or affect Landlord's Reversionary Estate; and (b) is for a loan ("Loan") made by the Security Assignee solely for the construction, refurbishment or reconstruction of Improvements on or to the Premises. Such Security Assignee shall be subrogated to any and all rights and remedies of Tenant with respect to the curing of any default under this Agreement by Tenant if and to the extent that Tenant has assigned such rights and remedies to such Security Assignee; provided, however, that such Security Assignee shall have an additional thirty (30)-day grace period to effect such cure over and above whatever time is allotted by this Agreement for Tenant to do so. If any such Security Assignee should give Landlord notice of its right, title or interest in or to the Leasehold Estate before any uncured default by Tenant has occurred under or with respect to this Agreement, Landlord shall thereafter give such Security Assignee a copy of each notice that Tenant is entitled to under this Agreement, and Landlord shall not thereafter enter into any amendment of this Agreement or any extension of the Lease Term that Tenant is not entitled to as a matter of right under this Agreement without the prior written consent of such Security Assignee. Landlord understands that this Agreement may be exhibited to and relied upon by the said Security Assignee, its successors and assigns, and no further notice need be given to the Landlord of the acceptance of the same Security Assignee, its successors or assigns, or the making of the said loan.

28. Binding Arbitration.

In the event of dispute, the parties agree to binding arbitration pursuant to RCW 7.04A.101-903. Any decision of an arbiter may be recorded by either party at the San Juan County Superior Court clerk's office, and enforced as a judgment. Notice of a party's intention to invoke this paragraph shall be given in accordance with paragraph 28 of this agreement.

29. Costs and Attorney Fees.

If by reason of default on the part of either party to this Lease agreement it becomes necessary to employ an attorney to recover any payments due hereunder or to enforce any provision of this Lease, the prevailing party, whether such party be the successful claimant or the party who successfully defended against the claim of the other party, shall be entitled to recover a reasonable attorney's fee and to be reimbursed for such costs and expenses as may have been incurred by such prevailing party, including those incurred on appeal.

30. Short Form Memorandum of Lease.

Landlord and Tenant agree to record a Short Form Memorandum of Lease in the form attached as Exhibit C.

31. Entire Agreement.

This Agreement contains the entire and integrated agreement of the parties and may not be modified except in writing signed and acknowledged by the parties.

32. Captions and Construction.

The captions in this Lease are for the convenience of the parties and others reviewing the Lease and are not to be considered in the interpretation of the Lease terms.

33. Conflict of Provisions.

In case of conflict between two or more provisions of the Lease, the more specific

PARTNERSHIP AGREEMENT

This Partnership Agreement (the "Agreement") is made and entered into this March 28, 2016 (the "Effective Date"). The Partners in this Agreement are as follows:

- Kelsey Jene Martinsen
- Sarinee Nuamnui

The Partners to this Agreement agree to the following:

I. NAME

This Partnership will be known as Happy Cannabis (the "Partnership").

II. THE PARTNERSHIP

- The Partners wish to become legal partners in business.
- The terms and conditions of their Partnership will be outlined in this Agreement.
- If the Agreement is executed, the Partnership will be in effect on March 28, 2016.
- The Partnership will only be terminated as outlined in this Agreement.
- The Partnership's primary place of business will be 225 South Front Street, Wrangell, Alaska, 99929.
- The Partnership will be governed under the laws of the state of Alaska.
- The Partnership's primary purpose is Cultivate, process and sell Cannabis..
- If applicable, the Partners will obtain any necessary licenses and permits to do business, register its Doing Business As Name ("DBA"), and obtain a Federal Employer Identification Number ("EIN").

III. CONTRIBUTIONS

The Partners will make an initial contribution to the Partnership as follows:

- Kelsey Jene Martinsen: \$0.00
- Sarinee Nuamnui: \$0.00

Contributions will be submitted no later than _____. All capital contributions are final unless all partners give written consent of withdrawal. All contributions will be deposited into a joint capital account.

IV. INTEREST AND AUTHORITY

The Partners' ownership interest in the Partnership will be as follows:

- Kelsey Jene Martinsen: 51%
- Sarinee Nuamnui: 49%

The Partners' authority will be defined by the following unless otherwise stated in the Agreement: All decisions for contract or otherwise will be made based on a majority vote of percent of ownership. Each Partner will have the authority based on their percent ownership outlined above in the Agreement.

V. COSTS

The Partners will share costs according to the following percentages:

- Kelsey Jene Martinsen: 51%
- Sarinee Nuamnui: 49%

VI. PROFITS

The Partners will share the net profits of the Partnership according to the following percentages:

- Kelsey Jene Martinsen: 51%
- Sarinee Nuamnui: 49%

The Profits will be accounted by _____ and distributed on the end of month of the month according to the above percentages after the costs of the Partnership have been paid according to the above cost percentages.

VII. SALARY

All Partners must give their unanimous consent if a permanent salary is to be established and their unanimous consent for the amount of salary to be given to each Partner.

VIII. ACCOUNTING

- All accounts related to the Partnership including contribution and distribution accounts will be audited upon a majority vote of the Partners.
- All Partners will maintain a joint contribution account. All Partners will maintain a joint distribution account. Partners will keep accurate and complete books of account for all accounts related to the Partnership. Any Partner, whether majority or minority, will be allowed to review all books of account at any time they request.
- Each Partner will be responsible for his or her own taxes on any distributions made.
- Accounting records will be kept on an accrual basis.
- The fiscal year will be complete on the last day of December of each year. All Partners will present their position on the state of the Partnership within two weeks of the completion of

each fiscal year.

- The following partners will be able to sign checks from any joint Partner account:
 - Kelsey Jene Martinsen
 - Sarinee Nuamnui

IX. NEW PARTNERS

The Partnership will amend this agreement to include new partners upon the written and unanimous vote of all Partners.

The name of the Partnership may be amended if a new Partner is added to the Partnership upon the written and unanimous vote of all Partners.

X. WITHDRAWAL OR DEATH

The Partners hereby reserve the right to withdraw from the Partnership at any time. Should a Partner withdraw from the Partnership because of choice or death, the remaining Partners will have the option to buy out the remaining shares of the Partnership. Should the Partners agree to buy out the shares, the shares will be bought in equal amounts by all Partners. The Partners agree to hire an outside firm to assess the value of the remaining shares. Only upon the partners' unanimous agreement will the outside firm's valuation of the shares be considered final. The Partners will have 365 days to decide if they want to buy the remaining shares together and disperse them equally. If all Partners do not agree to buy the shares, individual Partners will then have the right to buy the shares individually. If more than one Partner requests to buy the remaining shares, the shares will be split equally among those Partners wishing to purchase the shares. Should all Partners agree by unanimous vote, the Partnership may choose to allow a non-Partner to buy the shares thereby replacing the previous Partner.

If no individual Partner(s) finalize a purchase agreement by 365 days, the Partnership will be dissolved.

The name of the Partnership may be amended upon the written and unanimous vote of all Partners if a Partner is successfully bought out.

XI. DISSOLUTION

Should the Partnership be dissolved by majority vote, the Partnership will be liquidated, and the debts will be paid. All remaining funds after debts have been paid will be distributed based on the percentage of ownership interest outlined in this Agreement.

XII. AMENDMENTS

- Amendments may be made hereto upon the unanimous and written consent of all Partners.
- Amendments must be expressly written and have the original signatures of all Partners.
- All amendments, notices, requests, claims, demands and other communications between

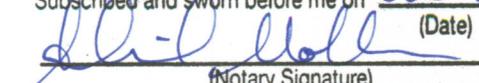
the parties shall be in writing. All such written communications shall be given (i) by delivery in person, (ii) by a nationally recognized next day courier service, (iii) by first class, registered or certified mail, postage prepaid, (iv) by facsimile or (v) by electronic mail to the addresses of the parties specified in this Agreement or such other addresses specified in writing. All notices shall be effective upon (i) receipt by the party to which the written communication is given, or (ii) on the 5th day following mailing, whichever occurs first.

IN WITNESS WHEREOF, this Agreement has been executed and delivered in the manner prescribed by law as of the Effective Date first written above.

Signature:  Date: 3/25/16
Kelsey Jene Martinsen

Signature: Sarinee Nuamnui Date: 3/25/16
Sarinee Nuamnui

State of Alaska County of Wrangell-Petersburg
Subscribed and sworn before me on 3-25-16
(Date)


(Notary Signature)

