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:

a. Exercise of reasonable skill and care;
b. Honest and good faith dealing;
c. Timely presentation of all written communications;
d. Disclosing all material information known by a licensee regarding the physical condition of a property; and
e. 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:

a. Duties owed by a licensee providing specific assistance as described above;
b. Not intentionally take actions which are adverse or detrimental to a consumer;
c. Timely disclosure of conflicts of interest to a consumer;
d. Advising a consumer to seek independent expert advice if a matter is outside the expertise of a licensee;
e. Not disclosing consumer confidential information during or after representation without written consent of the consumer unless required by law; and
f. 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:

a. Duties owed by a licensee providing specific assistance as described above;
b. Not intentionally taking actions which are adverse or detrimental to a consumer;
c. Timely disclosure of conflicts of interest to both consumers for whom the licensee is providing specific assistance;
d. If a matter is outside the expertise of a licensee, advise a consumer to seek independent expert advice;
e. Not disclosing consumer confidential information during or after representation without written consent of the consumer unless required by law; and
f. 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:

I/We, Rick + Chris Goschar 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 Barb Huntley / Lindsand Parker Keller Williams Realty Alaska Group
(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)

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

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

Date: 4/18/16 Signature: _____ (Licensee)

Date: 4/18/16 Signature: _____ (Consumer)

Date: 4/18/16 Signature: _____ (Consumer)

THIS CONSUMER DISCLOSURE IS NOT A CONTRACT

DocuSigned by: Barb Huntley 5892D641DC224BA...

DocuSigned by: Tennille Knorr DFDDCA10E2CC47A...

DocuSigned by: Amanda Lee 6EC6384D34B0474...

DocuSigned by: Shannon Steger E52D6143139A454...

DocuSigned by: Joslyn Blanchard 3C04715F66B04D5...

COMMERCIAL LEASE

THIS LEASE is made the date indicated below by and between E B H Investments, an Alaska partnership, ("Landlord") and RC Tinderbox, LLC, an Alaska limited liability company ("Tenant").

1. Premises. Landlord hereby leases to Tenant and Tenant hereby leases from Landlord the "Premises" commonly known 7801 King Street Anchorage 99518, which consists of land and a building containing approximately 16,000 square feet. The premises are legally described as:

> Lot Ten (10), Block Six (6), DIMOND INDUSTRIAL CENTER,
> ADDITION NO. 1, according to the official plat thereof, filed under Plat Number 80-49, Records of the Anchorage Recording District, third judicial District, State of Alaska; and
>
> SUBJECT TO covenants, conditions, restrictions, reservations, easements, rights-of-way and agreements of record.

The Premises include, without limitation, the building and all improvements situated thereon.

2. Term.

2.1 Term. The term of this Lease shall be sixty one (61) months from May 1, 2016 (the "Lease Commencement Date") through May 1, 2021, with an option to renew as provided below. Provided that Tenant is in compliance with its obligations arising pursuant to the terms of this Lease, possession of the Premises shall be provided to Tenant on the Lease Commencement Date.

2.2 Option to Renew. If Tenant is not in default hereunder, Tenant, at its option, may obtain three (3) renewals "Extension Term" of this Lease each for a further term of five (5) years each and upon the terms and conditions herein stated, except for the amount of the Base Monthly Rent. Tenant shall exercise this option to renew by giving Landlord written notice of intention to renew not less than 180 days prior to the expiration of the original

term. The Base Monthly Rent for the renewal period shall be the fair rental value of the Premises at the time the renewal period is to commence If the parties cannot agree upon the fair rental value at such time, then it shall be determined by binding arbitration in accordance with this agreement. However, in no event shall the renewal term Base Monthly Rent be less than the Base Monthly Rent in effect immediately preceding the commencement of the renewal period or 10% more than the Base Monthly Rent of the proceeding term.

2.3 Early Termination. In the event Tenant, despite best efforts and at no fault of its own, is unable to obtain an Alaska state license and municipal use permit approvals for a marijuana establishment [or there are changes in Alaska state or municipal law that make the business of Tenant illegal], Tenant may, at Tenant's election, be released from the terms of the Lease. In such event Landlord shall retain, as liquidated damages all payments and deposits paid by or on behalf of Tenant. Landlord and Tenant acknowledge that Landlord's damages in such an event are difficult to precisely measure, but that said sum is a reasonable approximation of those damages. This release and liquidated damages prov1s1on 1s not applicable m any circumstances other than those expressly set forth in this paragraph.

3. Rent.

3.1 Base Monthly Rent. The Tenant shall pay to the Landlord at Landlord's address specified below, or at such other place as the Landlord may hereinafter designate, on or before the twenty-fifth (25th) day of each month preceding the month for which such rent is paid, commencing on the twenty-fifth (25th) day of month preceding the Lease Commencement Date,
without offset or deduction the following amounts as Base Monthly Rent for the Premises:

~~March 1, 2016 to March 31, 20~~16: None.
April 1, 2016 to July 31, 2016: $5,000 per month. May 1st
August 1, 2016 to December 31, 2016: $12,800.00 per month. January 1, 2017 to December 31, 2017: $17,600.00 per month. January 1, 2018 to December 31, 2018: $18,400.00 per month.
January 1, 2019 to December 31, 2019: $19,200.00 per month.
January 1, 2020 to December 31, 2020: $20,000.00 per month.
January 1, 2021 to March 31, 2021: $20,800.00 per month.

3.2 Percentage Rent. During the term and any Extension Term of this Lease, in addition to Base Monthly Rental, Tenant shall pay to the Landlord at Landlord's address specified below, or at such other place as the Landlord may hereinafter designate, within 30 days the end of each calendar quarter percentage rent as follows:

March 1, 2016 to December 31, 2016: two percent (2%) of Tenant's net profits for the preceding calendrer quarter computed according to federal income tax principles.

January 1, 2017 through the end of the Lease term: two percent (2%) of Tenant's gross revenue for the preceding calendar quarter. For purposes of this Section 3.2, "gross revenue" shall mean revenue derived from operations of activities in the building, after all taxes and tax liabilities have been removed from the calculation of all revenue - the remainder of which shall be deemed "gross revenue" from which 2% of that remaining revenue shall be paid to Landlord in addition to the Base Monthly Rent.

3.3 Guarantors; Financial Statements. Contemporaneously with the execution of this Lease by Tenant, all three (3) members of RC Tinderbox, LLC (Christina Euscher, Rick Euscher, Matt Lindemann) have executed unconditional personal guaranties of Tenant's obligations arising pursuant to the terms of this Lease. Tenant represents and warrants that it has no Members other than those who have executed these personal guaranties.

Within five (5) days after mutual execution of this Lease, Tenant and all Guarantors shall deliver to Landlord written statements certified by Tenant and Guarantors to be correct, showing Tenant 's and each Guarantor's current financial statements, including a balance sheets and profit and loss statements. Should Landlord be dissatisfied with said financial statements and should Landlord determine that Tenant and Guarantors are not capitalized sufficiently to perform all Lease obligations, Landlord may terminate this agreement at any time upon written notice to Tenant at any time within 25 days of receipt of the financial statements. In the event Landlord exercises this right of termination, Landlord shall return any and all funds paid by Tenant to Landlord.

3.4 Late Charges. In addition to all other remedies available for nonpayment, if the amount due from the Tenant is not received by the Landlord on or before the 10th day following the date upon which such amount is due and payable, a late charge of $75.00 per day shall become due and payable as additional rent hereunder, which represents a fair and reasonable estimate of the processing and accounting costs that Landlord will incur by reason of such late payment.

4. Security Deposit. Contemporaneously with the Tenant's execution of this Lease, Tenant has deposited with Landlord a security deposit in the amount of Thirty Two Thousand Eight Hundred Dollars ($32,800.00). On September 25, 2016 Landlord shall apply $12,800 of this security deposit to rent due for August 2016 and the security deposit amount shall then be reduced to $20,000. If Tenant fails to pay rent or other charges due hereunder, or otherwise defaults with respect to any provision of this Lease, Landlord may use, apply or retain all or any portion of said deposit for the payment of any rent or other charge in default or for the payment of any other sum to which Landlord may become obligated by reason of Tenant's default, or to compensate Landlord for any loss or damage which

Landlord may suffer thereby.

5. Landlord's Title -Quiet En ioyment.

5.1 Landlord's Authority. Landlord represents and warrants to Tenant that it has the power and authority to execute and deliver this Lease and to carry out and perform all covenants to be performed by it hereunder.

5.2 Quiet Enioyment. Landlord covenants that Tenant, upon paying the rent and all other charges herein provided for and observing and keeping all covenants, agreements and conditions of this Lease on its part to be kept, shall quietly have and enjoy the Premises during the term of this Lease.

5.3 Memorandum Lease. Landlord and Tenant shall, upon request by either, simultaneously with execution of this Lease, execute a Memorandum of this Lease which may be recorded by either party immediately after execution at the expense of the party requesting the recording. Tenant may not record this Lease.

5.4 Covenant of Use. Landlord makes no representations or warranties to Tenant as to the suitability of the Premises for Tenant's intended purposes. Tenant is responsible for confirming that Tenant's intended use is authorized by applicable law; covenants, conditions, restrictions and easements affecting title, which may appear in the public record, including those shown on any recorded plat or survey; and the Municipality of Anchorage Municipal Code. With regard to all such matters, Tenant is relying on its own investigations and such inspections and studies as it chooses to conduct.

6. Utilities. Tenant shall pay promptly when due all charges for water, sewer, garbage disposal, telephone, electricity, cable, heat, gas, power, and any other utilities or services and like charges, including any fire protection or security charges, furnished to or consumed upon the leased Premises. Landlord shall not be liable for any failure or interruption of utilities or other services to the Premises, unless such failure caused by the sole negligence of Landlord, or Landlord's agents or employees.

7. Taxes and Assessments.

7.1 Real Estate Taxes and Assessments. Tenant shall pay all real estate taxes and assessments on the Premises prior to their due date starting after the month of August, 2016. Until August, 2916, the Property Tax shall be Landlord's full and sole responsibility . If Tenant late pays such real estate taxes or assessments, Tenant shall also pay any interest, fees and penalties arising as a result of the late payment. Real property taxes for the first and last calendar year of this Lease shall be not be prorated, but rather paid in their entirety by Tenant. Landlord agrees to ensure than Tenant receives all invoices or statements for taxes due at least fourteen (14) days prior to such taxes being due. Upon demand by

Landlord, Tenant shall provide proof of payment of such taxes and assessments.

If Tenant fails to pay real property taxes and assessments when due, Landlord may, at its option, pay the same, and the amount paid by Landlord, including any interest and penalties thereon, shall immediately be due and payable, with interest at 1.5% per month, or the maximum legal rate if applicable. Such payment by Landlord shall be in addition to all other remedies which may be available to Landlord for the default by Tenent.

Landlord shall provide to Tenant, upon receipt, all documents and notices concerning change in value (for real estate tax purposes) of the Premises. Tenant, at Tenant's expense, may contest any such real property taxes or assessments in any manner permitted by law, in Tenant's name, and, whenever necessary and required by law, in Landlord's name. Landlord shall cooperate with Tenant and execute any documents or pleadings required for such purposes, provided that Landlord shall be satisfied that the facts set forth in such documents or pleadings are accurate, and that such execution or cooperation does not impose any obligations, expense or liability on Landlord.

7.2 Additional Taxes. Should there presently be in effect or should there be enacted during the term of this Lease any law, statute, or ordinance levying any tax (other than Federal or State income taxes) directly or indirectly, in whole or in part, upon rents or the income from real estate or rental property, or increasing any such tax, Tenant shall reimburse Landlord monthly, as additional rent, at the same time as minimum rental payments are due hereunder, for the actual amount of all such taxes paid.

8. Repairs, Maintenance and Condition of Premises.

8.1 Condition of Premises. Tenant acknowledges that it has inspected the leased Premises and that the leased Premises are in good condition and suitable for Tenant's intended use. Tenant accepts the Premises "as is" in their current condition. No warranties or representations concerning the condition or suitability of the Premises for intended uses have been made. Landlord will provide the Premises to Tenant "broom clean" and free of debris.

8.2 Maintenance and Repair. Landlord shall be responsible for maintaining the structural integrity of the building, the roof, and the existing heating system. Landlord has no other maintenance or repair obligations.

Tenant shall, at its own expense, at all times keep all other aspects of the Premises and all other systems in good order and repair, maintained, and, upon termination of this Lease, Tenant shall deliver the leased Premises to Landlord in as good a condition as when delivered to Tenant. Tenant shall be responsible for snow and ice removal, sanding, and maintaining landscaping. If the Tenant does not make such repairs promptly and adequately, or fails to maintain the Premises in good repair, Landlord may (but is not required to) make repairs on ten (10) days' notice to the Tenant, and Tenant shall pay promptly the cost thereof, as additional rent, on the next rent date thereafter. The right of Landlord to make such repairs shall be without prejudice to any rights it may have because of Tenant's failure to make such repairs.

8.4 Alterations. ***All alterations, Landlord Improvements, Tenant Improvements will be addressed in a Addendum "A" to this lease, which is attached to this lease and incorporated by reference on 4/15/16. Without both parties agreement to Addendum A, and attachment of the same, this lease shall be null and void.

Tenants Initial **Landlord**

8.5 Entry and Inspection. Upon no less than twenty-four hours notice, Tenant will permit Landlord or its agents to enter the Premises during business hours, hereinafter defined as from 7:00 a.m. to 6:00 p.m. on weekdays and from 8:00 a.m. to 1:00 p.m. on Saturdays, excluding legal holidays to inspect, clean, repair, alter, or improve the Premises, or to show the Premises to prospective Purchasers or tenants. In exercising its rights under this section, Landlord will not unreasonably interfere with the conduct of Tenant's business. Landlord's agent or employee shall be over the age of 21 and shall comply with Tenant's vistor policy log in sheet pursuant to MCB regulations.

9. Use of Premises.

9.1 Nature of Use. Tenant shall use the Premises for production and processing of Cannabis and other directly related products and purposes performed in accordance with Alaska State law and the Municipality of Anchorage Municipal Code, and for no other uses except as Landlord may approve in writing. Tenant shall not make or permit any use of the Premises which may be dangerous to persons or property, or which may increase the premium costs or invalidate any policy of insurance covering the Premises or its contents. In case of any such increase in premium resulting from Tenant making or permitting any such use, Tenant shall pay the amount thereof, without prejudice to any other right or remedy of Landlord.

9.2 Hazardous Substances.

9.2.1 Presence and Use of Hazardous Substances. Unless otherwise set forth in this Section 9.2, Tenant shall not, without Landlord's prior written consent, keep on or around the Premises or Common Areas, for use, handling, disposal, treatment, generation, storage or sale, any "Hazardous Substance" hereinafter defined as any "Permitted Hazardous Substances" as defined below, which are hazardous or toxic substance, or waste, regulated pursuant to any federal, state or local environmental law, including without limitation, the Clean Air Act, the Clean Water Act, the Toxic Substances Control Act, the Comprehensive Environmental Response Compensation and Liability Act, the Resource Conservation and Recovery Act, the Federal Insecticide, Fungicide, Rodenticide Act, the Safe Drinking Water Act, and the Occupational Safety and Health Act due to its potential harm to health, safety or welfare of humans or the environment.). With respect to any such Hazardous Substance, Tenant shall;

9.2.1.1Comply promptly, timely, and completely with all governmental requirements for reporting, keeping and submitting manifests, and obtaining and keeping current identification numbers;

9.2.1.2 Submit to Landlord true and correct copies of all reports, manifests and identification numbers at the same time as they are required to be and/or are submitted to the appropriate governmental authorities;

9.2.1.3 Within five (5) days of Landlord's request, submit written reports to Landlord regarding Tenant's use, handling, storage, treatment, transportation, generation, disposal or sale of Hazardous Substances and provide evidence satisfactory to Landlord of Tenant's compliance with the applicable government regulations;

9.2.1.4 Allow Landlord or Landlord's agent or representative to come on the Premises during business hours and upon reasonable notice to check Tenant's compliance with all applicable governmental regulations regarding Hazardous Substances;

9.2.1.5 Comply with minimum levels, standards or other performance standards or requirements which may be set forth or established for certain Hazardous Substances (if minimum standards or levels are applicable to Hazardous Substances present on the Premises, such levels or standards shall be established by an on-site inspection by the appropriate governmental authorities and shall be set forth in an addendum to this Lease); and

9.2.1.6 Comply with all applicable governmental statutes, ordinances, rules, regulations, management plans and requirements regarding the proper and lawful use, handling, sale, transportation, generation, treatment, and disposal of Hazardous Substances.

9.2.1.7 Tenant may store and use any hazardous, toxic, infectious or dangerous substances lawfully permitted and generally recognized as necessary and appropriate for the Permitted Use as (i) such storage and use is in the ordinary course of operating a Permitted Use; and (ii) such storage and use is performed in compliance with all applicable laws, rules, or regulations, and in compliance with commercially reasonable standards prevailing in the industry for storage and use of such substances ("Permitted Hazardous Substances"). In addition to the foregoing, Tenant will comply with any inspection requirement required by any federal, state or local regulatory agencies because of the Tenant's use of such Permitted Hazardous Substances. Tenant acknowledges the use of the following "Permitted Hazardous Substances" as part of Tenant's Permitted Use include: fertilizers and other nutrients for the production and growing of marijuana and Co2 for use in growing and processing cannabis. Tenant hereby agrees not to add to or materially alter the type or quality of the items on the list for Permitted Hazardous Substances, without notifying Landlord of such additions or material alterations.

9.2.2 Clean up Costs, Default and Indemnification

9.2.2.1 Tenant shall be fully and completely liable to Landlord for any and all cleanup costs, and any and all other charges, fees, penalties (civil and criminal) imposed by any governmental authority with respect to Tenant's use, handling, disposal, transportation, generation and/or sale of Hazardous Substances, in or about the Premises, Common Areas, or the building of which the premises are a part.

9.2.2.2 Tenant shall indemnify, defend and save Landlord harmless from any and all of the costs, fees, penalties and charges assessed against or imposed upon Landlord (as well as Landlord's attorneys' fees and costs) as a result of Tenant's use, handling, disposal, transportation, generation and/or sale of Hazardous Substances.

9.2.2.3 Upon Tenant's default under this Section, in addition to the rights and remedies set forth elsewhere in this Lease, Landlord shall be entitled to the following rights and remedies:

(i) At Landlord's option, to terminate this Lease immediately;

(ii) To recover any and all damages associated with the default, including, but not limited to cleanup costs and charges, civil and criminal penalties and fees, loss of business and sales by Landlord, any and all damages and claims asserted by third parties and Landlord's attorneys' fees and costs.

9.2.3 Landlord Indemnification. Landlord shall indemnify, defend and hold harmless the Tenant, its successors and assigns, from any and all claims, damages, fines, judgments, penalties, costs, liabilities or losses (including without limitation any and all sums paid for settlement, claims, attorneys' fees, consulting and expert fees) in connection

with the presence or suspected presence of Hazardous Substances in or on the Premises, to the extent that the Hazardous Substances were present on the Premises prior to the commencement of the Lease term.

9.3 Disposal of Non-Hazardous Waste Materials. All non-hazardous waste materials shall be disposed of by Tenant properly and in accordance with all applicable laws and regulations.

9.4 Compliance With Law. Tenant shall not use the Premises or permit anything to be done in or about the Premises which will in any way conflict with any state law, statute, zoning restriction, ordinance or governmental rule or regulation or requirements of duly constituted public authorities now in force or which may hereafter be enacted or promulgated. Tenant shall at its sole cost and expense promptly comply with all state laws, statutes, ordinances and governmental rules, regulations or requirements now in force or which may hereafter be in force and with the requirements of any board of fire underwriters or other similar body now or hereafter constituted relating to or affecting the condition, use or occupancy of the Premises. Notwithstanding the foregoing, Landlord understands and agrees that Tenant intends to use the property for the production and processing of cannabis and cannabis related products as allowed by Alaska State law and the regulations promulgated thereunder.

10. Insurance; Indemnity.

10.1 Public Liability Insurance. Tenant, at its own expense, shall procure and maintain in effect comprehensive public liability insurance coverage with limits of not less than One Million Dollars ($1,000,000.00) for bodily and personal injury or death to any one-person; with minimum of not less than Two Million Dollars ($2,000,000.00) for bodily and personal injury a death to more than one1Jerson; and with limits of not less than Three Hundred Fifty Thousand Dollars ($350,000.00) with respect to damage to property. In no event shall the limits of said policies be considered as limiting the liabilities of Tenant under this Lease. The above-stated minimum policy limits shall be subject to periodic review by the Landlord.

10.2 Casualty Insurance. Tenant, at its expense, shall maintain in effect policies of insurance covering (a) the Premises, leasehold improvements, fixtures and equipment located on the Premises, for the full replacement value, and providing protection against any peril included within the classification "Fire and Extended Coverage," together with insurance against sprinkler damage (if the building has a sprinkler system installed), vandalism and malicious mischief; and (b) all plate glass on the Premises. The proceeds of such insurance, so long as this Lease remains in effect, shall be used to repair or replace the Premises, leasehold improvements, fixtures, equipment and plate glass so insured.

10.3 Insurance Policies. All insurance policies (except the fire and extended coverage insurance on Tenant's personal property) shall name

Landlord as additional insured and shall be with companies and with loss-payable clauses satisfactory to Landlord, and copies of policies or certificates evidencing such insurance shall be delivered to Landlord by Tenant. No such policy shall be cancelable or amendable except after thirty (30) days' written notice to Landlord.

Whenever In Landlord's reasonable business judgment, good practice and changing conditions indicate a need for additional and /or different types of insurance coverage, Tenant shall obtain such insurance at its expense upon request from Landlord.

10.4 Waiver of Subrogation. Landlord and Tenant mutually agree to waive their right of recovery against each other, and their respective officers, employees or agents, for losses or damages occurring to the Premises, improvements, contents, other property of the waiving party or under its control, or business interruptions related to the loss or damage to such property. However, the parties agree that this waiver applies only to losses covered by valid and collectible insurance, and only to the extent that such insurance applies, and not in excess of the amount collectible from such insurance. The waiver shall not apply to damages in excess of the amount collectible from such insurance. Permission to grant this waiver is to be included in the provisions of the insurance policies now carried by both Landlord and Tenant. The continuation of this mutual waiver of subrogation is subject to the insurance continuing to grant this option on renewal policies.

10.5 Indemnification of Landlord. Landlord shall not be liable for any loss, injury or death to persons or damage to property, in or about the Premises, from any cause, which at any time may be suffered by Tenant or by its invitees or employees or agents, except to the extent caused by the sole negligence or willful misconduct of Landlord, its employees, agents and contractors. The Tenant agrees to indemnify, defend, and save Landlord, its employees and its agents, harmless from any and all claims and expenses, including reasonable attorney's fees and costs, and litigation-related expenses arising out of such injury, death, or damage, however occurring, on or about the Premises.

10.6 Waiver. THE LANDLORD AND TENANT SPECIFICALLY AGREE THAT THE PROVISIONS OF THIS SECTION 10 ALSO APPLY TO ANY CLAIM OF INJURY OR DAMAGE TO THE PERSONS OR PROPERTY OF THE TENANT'S EMPLOYEES, AND TENANT ACKNOWLEDGES AND AGREES THAT AS TO SUCH CLAIMS, TENANT, WITH RESPECT TO LANDLORD, DOES HEREBY WAIVE ANY RIGHT OF IMMUNITY WHICH TENANT MAY HAVE UNDER INDUSTRIAL INSURANCE AND UNDER ANY SUBSTITUTE OR REPLACEMENT STATUTE). THIS WAIVER AND AGREEMENT WAS SPECIFICALLY NEGOTIATED BY LANDLORD AND TENANT AND IS SOLELY FOR THE BENEFIT OF LANDLORD AND TENANT AND THEIR SUCCESSORS AND ASSIGNS AND IS NOT INTENDED AS A WAIYER OF TENANT'S RIGHTS OF IMMUNITY UNDER SAID INDUSTRIAL INSURANCE OF

ANY OTHER PURPOSE.

Date: 4/18, 2016 Date: 4/22, 2016

Tenant Landlord

11. Reconstruction and Restoration.

11.1 Minor Damage. If during the term hereof, the Premises are damaged by fire or other perils covered by the fire and extended coverage insurance on the Premises, and such damage is not "substantial," Landlord shall promptly repair such damage at Landlord's expense after the application of all insurance proceeds, and this Lease shall continue in full force and effect.

11.2 Substantial Damage. If during the term hereof the Premises are destroyed or damaged by fire or other perils covered by the insurance, and if such damage is "substantial," Landlord may at its option either (a) promptly repair such damage at Landlord's expense after the application of all insurance proceeds, in which event this Lease shall continue in full force and effect, or (b) cancel this Lease as of the date of such damage, by giving Tenant written notice of its election within thirty (30) days after the date Tenant notifies Landlord of such damage.

Notwithstanding any other provision in this Section, if damage to the Premises is caused by Tenant, and such damage is not subject to waiver of subrogation under Section 10, then Tenant shall be responsible for repair and rent shall not abate during the repair period.

11.3 Abatement of Rent.

11.3.1 If the Premises are destroyed or damaged and Landlord repairs or restores them under this section, Tenant shall continue the operation of this business in the Premises to the extent reasonably practicable, and the rent payable hereunder for the period during which such damage, repair or restoration continues shall be abated in proportion to the proportion of usable Premises space compared to the total Premises space.

11.3.2 If Landlord shall be obligated and use best efforts to repair or restore the Premises under this Section and shall not commence such repair or restoration within ninety (90) days after such obligation shall accrue, of if the estimated repair time is greater than 180 days, Tenant may at its option cancel this Lease as of the date of occurrence of such damage by giving landlord notice of its election to do so at any time prior to the commencement of such repair or restoration and/or sue for damages caused Tenant by Landlord's breach, and/or obtain an order specifically enforcing Landlord's obligations to repair and restore. All of said remedies shall be cumulative.

11.4 Definition of "Substantial." For the purpose of this Section 11, "substantial" damage to the Premises shall mean damage to the Premises the estimated cost of repair of which exceeds fifty percent (50%) of the then estimated replacement cost of the improvements to the Premises, or uninsured or underinsured damage exceeds six (6) months monthly rent in effect.

12. Assignment and Subletting. Tenant shall not either voluntarily or by operation of law assign, sell, or otherwise transfer this Lease or any of Tenant's rights hereunder, or sublet the Premises or any portion thereof without Landlord's written consent in each instance, which shall not be unreasonably denied or delayed. The sale or assignment of any stock or interest in Tenant (for other than security purposes) in the aggregate in excess of forty-five percent (45%) in any two-year period, shall be deemed an assignment within the meaning and provisions of this Section. Tenant agrees to reimburse Landlord for Landlord's reasonable costs and attorney's fees incurred with the documentation of such assignment, subletting or other transfer of this Lease or Tenant's interest in and to the Premises.

13. Condemnation.

13.1 Entire or Substantial Taking. If the entire Premises, or so much thereof as to make the balance not reasonably adequate for the conduct of Tenant's business (notwithstanding restoration by Landlord as herein provided) shall be taken under the power of eminent domain, this Lease shall automatically terminate on the date the condemning authority takes possession.

132 Partial Taking. In the event of any taking under the power of eminent domain which does not so result in a termination of this Lease, the monthly rental payable hereunder shall be reduced, effective on the date the condemning authority takes possession, in the same portion as the value of the Premises after the taking relates to the value of the Premises prior to the taking. Landlord shall promptly, at its sole expense, restore the portion of the Premises not taken to as near its former condition as is reasonably possible, and this Lease shall continue in full force and effect.

133 Awards. Any award for taking of all or any part of the Premises under the power of eminent domain shall be the property of the Landlord, whether such award shall be made as compensation for diminution in value of the leasehold or for taking of the fee. Nothing herein, however, shall be deemed to preclude Tenant from obtaining, or to give Landlord any interest in, any award to Tenant for loss of or damage to or cost of removal of Tenant's trade fixtures and removable personal property, or for damages for cessation or interruption of Tenant's business,

14 Surrender of Premises.

141 Surrender of Premises. Tenant shall promptly surrender possession of the Premises to Landlord upon the expiration or prior termination of the Lease. The Premises shall be surrendered in the same condition as they were at the commencement of the Lease term, normal wear and tear excepted, damages covered by insurance excepted, and acts of God or the elements excepted.

142 Holding Over. Any holding over by Tenant after the expiration or termination of the Lease shall be construed to be a tenancy for a month-to-month, on all of the terms and conditions set forth herein, to the extent not inconsistent with a month-to-month tenancy. During such tenancy, the Tenant agrees to pay the Monthly Rental m effect immediately prior to commencement of the holding over, times 125%.

15.3 Sub-Tenancies. The voluntary or other surrender of this Lease by Tenant, or a mutual cancellation thereof, terminate all and any existing subtenancies, or may, at the option of Landlord, operate as an assignment to it of any and all such subtenancies.

16. Default by Tenant.

16.1 Default. The occurrence of any one or more of the following events shall constitute breach of this Lease by Tenant.

16.1.1 Failure to Pay Rent. The failure by Tenant to make any payment of Rent or any other payment required to be made by Tenant hereunder, as and when due, where such failure shall continue for a period of five (5) business days after written notice thereof by Landlord is received by Tenant.

16.1.2 Failure to Perform. The failure by Tenant to observe or perform any of the covenants, conditions or provisions of this Lease to be observed or performed by the Tenant, other than payment of rent, where such failure shall continue for a period of thirty (30) days after written notice thereof by Landlord is received by Tenant; provided, however, that if the nature of Tenant's default is such that more than thirty (30) days are reasonably required for its cure, then Tenant shall not be deemed to be in default if Tenant commences such cure within said thirty (30) day period and thereafter diligently prosecutes such cure to completion.

16.1.3 Bankru ptcy. The making by Tenant of any general assignment or general arrangement for the benefit of creditors; or by the filing by or against Tenant of a petition to have Tenant adjudged bankrupt, or a petition or reorganization or arrangement under any law relating to bankruptcy (unless, in the case of a petition filed against Tenant, the same is dismissed within sixty (60) days filing); or the appointment of a trustee or a receiver to take

possession of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease, where such seizure is not discharged in thirty (30) days after appointment of said trustee or receiver, or the filing of a petition for the appointment of the same, whichever shall first occur.

16.2 Remedies in Default. In the event of any such default or breach by Tenant, Landlord may at any time thereafter, with or without notice or demand and without limiting Landlord in the exercise of a right or remedy which Landlord may have by reason of such default or breach:

16.2.1 Terminate Lease. Terminate Tenant's right to possession of the Premises by any lawful means, in which case this Lease shall terminate and Tenant shall immediately surrender possession of the Premises to Landlord. In such event Landlord shall be entitled to recover from the Tenant all past due rents and other charges; the expenses of reletting the Premises, including necessary renovation and alteration of the Premises, reasonable attorneys' fees and costs; the worth at the time of award by the court having jurisdiction thereof

of the amount by which the unpaid rent and other charges called for herein for the balance of the Lease Term after the time of such award exceeds the amount of such loss for the same period that Tenant proves could be reasonably avoided; and that portion of any leasing commission paid by Landlord and applicable to the unexpired Lease Term of this Lease. Unpaid installments of rent or other sums shall bear interest from the date due at the rate of ten percent (10%) per annum; or

1622 Continue the Lease. Maintain Tenant's right to possession, in which case this Lease shall continue in effect whether or not Tenant shall have abandoned or vacated the Premises. In such event Landlord shall be entitled to enforce all Landlord's right and remedies under this Lease, including the right to recover past due rents and other charges, the rent and any other charges as may become due hereunder, and at Landlord's option, to recover the worth at the time of the award by the court having jurisdiction thereof of the amount by which the unpaid rent and other charges called for herein for the balance of the Lease Term after the time of such award exceeds the amount of such loss for the same period that Tenant proves could be reasonably avoided.

1623 Reletting for Tenant's Account. Landlord may reenter and attempt to relet without terminating this Lease and remove all persons and property from the Premises (which property may be removed and stored in a public warehouse or elsewhere at the cost and risk of, and for the account of, Tenant), all without service of notice or resort to legal process and without being deemed guilty of trespass, or any liability of Landlord for any loss or damage which may be occasioned thereby. If Landlord, without terminating this Lease, either

(1) elects to reenter the Premises and attempt to relet, or (2) takes possession of the Premises pursuant to legal proceedings, or (3) takes possession of the Premises pursuant to any notice provided by law, then Landlord may, from time to time, make such alterations and repairs

as may be reasonably necessary in order 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) and at such rent and other terms as Landlord in its reasonable discretion deems advisable. Upon such reletting, all rents received by Landlord from such reletting shall be applied, first, to the payment of any indebtedness of Tenant (other than any rents due hereunder) to Landlord; second, to the payment of any costs and expenses of obtaining possession and any such reletting, including expense of reasonable alterations and repairs, brokerage fees and attorneys' fees; third, to the payment of any rents due and unpaid hereunder. If such rents and any other amounts received from such reletting during any month be less than that to be paid during that month by Tenant, Tenant shall immediately pay such deficiency to Landlord. No such reentry or taking possession of the Premises by Landlord shall be construed as an election by Landlord to terminate this Lease unless a notice of such intention be given to Tenant. Notwithstanding any such reletting without termination, Landlord may at any time thereafter elect to terminate this Lease for such previous breach. Should Landlord at any time terminate this Lease for any breach, in addition to any other remedies it may have, Landlord may recover from Tenant all damages it may incur by reason of such breach, including the cost of recovering the Premises, reimbursement of any brokerage fees incurred by Landlord in connection with Tenant's Lease and all rent (accrued or to accrue during the term of the Lease) which, at Landlord's election, shall be accelerated and be due in full on demand.

16.4 Other Remedies. Pursue any other remedy now or hereafter available to Landlord under the laws or judicial decisions of the State in which the Premises are located, including but not limited to the right to assess against Tenant an amount equal to the reasonable attorneys' fees incurred by Landlord in collecting any rent or other payment due hereunder, which amount shall be due in full within ten (10) days of Tenant's receipt of the assessment by Landlord.

17. Default by Landlord. If Landlord shall be in default for more than thirty (30) days after receipt of Tenant's notice specifying such default, Tenant may incur any expense necessary to perform any obligation of Landlord specified in such notice and deduct such expense from any sums payable by Tenant under this Lease thereafter to become due or pursue any other remedy available at law, equity or by statute, including, but not limited to, damages and/or the right to terminate said Lease. Provided, however, if Landlord's obligation is such that more than thirty (30) days are required for its performance, Landlord shall not be deemed in default if it commences such performance within such thirty (30) day period and uses best efforts to diligently prosecutes the same to completion.

Irrespective of anything contained in this Section 17, Tenant may not deduct any expenses against any sums payable by Tenant to landlord under this Lease unless Tenant gave Landlord at least thirty (30) days' notice in writing of the default and Tenant's intention to incur expense to cure said default. In any

event, Tenant may only deduct the reasonable cost of curing said default. Provided, further, Tenant's inability to deduct said expense against any sums payable by Tenant to Landlord under this Lease shall not affect any other right or remedy of Tenant. In no event shall Tenant have the right to terminate this Lease as a result of Landlord's default.

18 Landlord's Financing.

Cure by Tenant. If Landlord shall default in the payment of any such mortgage or otherwise fails to comply therewith, and notice of such default has been given Landlord by lender, Landlord shall have the obligation to immediately notify the Tenant of such default or failure and Tenant shall have the right and privilege of paying to the mortgagee any amount so in default, but shall have no obligation to do so. Upon tenant making any such payment, it shall be entitled to deduct the amount so paid from the rent due, until the amount of such payment shall have been fully repaid to the Tenant.

19 Signage. Prior to opening for business, Tenant may install a permanent exterior sign on the building in conformance with all local ordinances and rules. The design and plan for installation of all signs on or exposed to the exterior of the building shall be subject to prior written approval of Landlord which approval shall not be unreasonably withheld or delayed.. In the event Tenant shall install any sign in violation of this Paragraph, Landlord shall have the right, upon five (5) days prior written notice to Tenant, to enter upon the Premises, remove and store the subject sign and repair all damage caused by the removal of the sign all at Tenant's cost and expense, all without liability to Landlord. Tenant shall remove immediately any interior or exterior signage, advertisement, decoration or similar thing which Landlord reasonably deems objectionable or offensive. If Tenant fails to do so, Landlord may enter upon the Premises and remove same at Tenant's cost and expense.

20 Miscellaneous.

201 Waivers. No waiver by either party of any provision of this Lease shall be deemed to be a waiver of any other provision hereof or of any subsequent breach by the breaching party of the same or any other provision. Landlord's consent to or approval of any act by Tenant requiring Landlord's consent or approval shall not be deemed to render unnecessary the obtaining of landlord's consent to or approval of any subsequent act by Tenant, whether or not similar to the act so consented to or approved.

202 Notices. All notices under this Lease shall be in writing and delivered in person or deposited in the United States mail, certified and postage prepaid and addressed to the address of Tenant or Landlord shown below or at such other address as may be designated by either party inwriting.

LANDLORD'S ADDRESS:

EBH Investments
2125 East 79th
Avenue
Anchorage, Alaska 99507

Gray #

TENANT'S
ADDRESS: RC
Tinderbox, LLC
7801 King Street
Anchorage, Alaska 99518

20.3 Interest on Past Due Obligations. Any amount due from Tenant to Landlord hereunder which is not paid when due shall bear interest at the rate of ten percent (10%) per annum from the date due until paid, but the payment of such interest shall not excuse or cure any default by Tenant.

20.4 Construction.

20.4.1 This Lease shall be construed and governed by the laws of the State of Alaska;

20.4.2 The invalidity or unenforceability of any provision hereof shall not affect or impair any other provisions hereof;

20.4.3 The Lease constitutes the entire agreement of the parties and supersedes all prior agreements or understandings between the parties with respect to the subject matter hereof;

20.4.4 This Lease may not be modified or amended except by written agreement signed and acknowledged by both parties, the Parties acknowledge and agree that Addendum A is incorporated to this Lease;

20.4.5 Time is of the essence of this Lease in each and every provisions thereof; and

20.4.6 Nothing contained herein shall create the relationship of principal and agent or of partnership or of joint venture between the parties hereto and no provisions contained herein shall be deemed to create any relationship other than that of landlord and tenant.

20.4.7 Tenant has had the opportunity to have this document reviewed by counsel of its choice. Tenant agrees that no interpretation or construction shall be made with respect to this document based on which

party drafted the document.

20.5 Successor. Subject to any limitations on assignments herein, all of the provisions of this Lease shall inure to the benefit of and be binding upon the successors and assigns of the parties hereto.

20.6 Costs and Attorneys' Fees. If by reason of any breach or default on the part of either party hereto it becomes necessary for the other party hereto to employ an attorney, then the non-breaching party shall have and recover against the other party in addition to costs allowed by law, reasonable attorneys' fees and litigation-related expenses. The non-breaching party shall be entitled to recover reasonable actual attorneys' fees and costs and expenses, as provided above, regardless of whether litigation is actually commenced.

20.7 Jurisdiction and Venue. The parties hereto do hereby consent to jurisdiction and venue of the Superior Court in Anchorage, Alaska.

20.8 Dispute Resolution.

20.8.1 Occasions for Arbitration. In the event of disputes between the parties, related to this agreement or the transactions or relationships contemplated hereby, such disputes shall be resolved by arbitration in accordance with the provisions of this Article, and the parties waive the right to proceed in courts of law or equity as to these matters.

20.8.2 Procedure. In the event of such dispute as described in the preceding section, the dispute shall be settled by arbitration administered by the American Arbitration Association under its Commercial Arbitration Rules, and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. All arbitration hearings shall be conducted in Anchorage, Alaska. Prior to instituting an arbitration proceeding, the parties agree to attempt to settle such dispute or claim through non-binding mediation presided over by a mutually-agreeable mediator. The decision of said arbitrator shall be final and binding, and no appeal may be taken therefrom. Arbitration shall be conducted under the laws of the State of Alaska. Said decision may be confirmed by a court of law, if necessary, in accordance with the provisions of Alaska law.

20.8.3 Unlawful Detainer. Notwithstanding the above arbitration clause, in the event of a failure to pay rent or other failure to perform hereunder by Tenant, Landlord shall be entitled to commence eviction proceedings under the unlawful detainer statute.

20.9 Authority. Each individual executing this Lease on behalf of Tenant represents and warrants that he is duly authorized to execute and deliver this Lease on behalf of Tenant, in accordance with a duly adopted resolution of the Manager and Members of Tenant authorizing and consenting to this Lease; authorizing the specific individuals signing

this Lease to execute, acknowledge and deliver the same without the consent of any other Member of Manager; resolving that such action and execution is in accordance with the Operating Agreement of Tenant; and resolving that this Lease is binding upon Tenant in accordance with its terms.

20.10 Counterparts; Electronically Transmitted Signatures. This Lease may be executed in any number of counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument. Each party agrees to promptly deliver an executed original of this Lease with its actual signature to the other party, but a failure to do so shall not affect the enforceability of this Lease, it being expressly agreed that each party to this Lease shall be bound by its own electronically transmitted signature and shall accept the electronically transmitted signature of the other party to this Lease.

20.11 Entire Agreement. This Lease constitutes and embodies the entire understanding and agreement of the parties hereto relating to the subject matter hereof and there are no other agreements or understandings, written or oral, in effect between the parties relating to such subject matter except as expressly referred to herein.

DATED this day of April, 2016.

LANDLORD:
E B H INVESTMENTS, an Alaska Partnership

By: Gary Bucy
Title: Partner and Authorized Representative

TENANT:
RC TINDERBOX, a Alaska limited liability company

By: Christina Euscher
Title: Managing Member

By: Rick Euscher
Title: Managing Member

By: Matt Lindemann
Title: Managing Member