Alcohol & Marijuana Control Office
550 W 7th Avenue, Suite 1600
Anchorage, AK 99501
marijuana.licensing@alaska.gov
https://www.commerce.alaska.gov/web/amco
Phone: 907.269.0350

Alaska Marijuana Control Board

Cover Sheet for Marijuana Establishment Applications

What is this form?

This cover sheet **must** be completed and submitted any time a document, payment, or other marijuana establishment application item is emailed, mailed, or hand-delivered to AMCO's main office.

Items that are submitted without this page will be returned in the manner in which they were received.

Section 1 – Establishment Information

Enter information for the business seeking to be licensed, as identified on the license application.

Licensee:	Red Run Cannabis Cultivators, LLC	**License Number:**		10052	
License Type:	Standard Marijuana Cultivation Facility				
Doing Business As:	RED RUN CANNABIS CULTIVATORS, LLC				
Physical Address:	5455 Kenai Spur Highway				
City:	Kenai	**State:**	AK	**Zip Code:**	99611
Designated Licensee:					
Email Address:	eric@trialguy.com				

Section 2 – Attached Items

List all documents, payments, and other items that are being submitted along with this page.

Attached Items:	Proof of Possession for Proposed Premises

OFFICE USE ONLY					
Received Date:		Payment Submitted Y/N:		Transaction #:	

Lease Agreement

THIS LEASE is made this 14 day of July, 2016, by and between: *ACG, LLC*, an Alaska Limited Liability Company in good standing ("Owner") and *Red Run Cannabis Cultivators, LLC*, an Alaska Limited Liability Company in good standing, (hereinafter called "Resident"),

1. Lease Term

In consideration of the covenants hereinafter contained on the part of the Resident to be kept and performed, Owner warrants it has the right to possess and lease the subject property, and does hereby lease to Resident 70% of the facility space, including shared spaces, of the commercial premises located at 5455 Kenai Spur Hwy, in Kenai, Alaska. This lease commences on July 1, 2016, and expires at 11:59 p.m. on June 30, 2017.

2. Rental

Resident shall pay to Owner a total rental of $48,000.00 for the full term of this lease. Owner hereby acknowledges receipt of $1.00 simultaneously with the execution and delivery of this Lease, which sum shall be applied to the rental. The remainder of $47,999 shall be paid by Resident to Owner in two equal installments of $23,999.50 each, due and payable on January 1, 2017 and July 1, 2017. Resident shall pay the rent to Owner at 5455 Kenai Spur Hwy, or to such other address as Owner shall direct. Resident shall reimburse Owner for the costs paid by the latter for 90% of the utilities located on the premises upon proof of payment by Owner of costs.

3. Security Deposit

Owner hereby acknowledges receipt from Resident of $1.00 as security for resident's full and faithful performance of each and every term, covenant and condition of this Lease. In the event that Resident shall default in the payment of any installment of rent when due, or shall fail to perform or observe any term, covenant or condition of this Lease on Resident's part to be kept. In the event that Resident shall fully and faithfully comply with all of the terms, provisions, covenants and conditions of the Lease, the security deposit (or any balance thereof) shall be returned to Resident within fourteen days after the expiration of the term of the lease and vacation of the premises, and Owner shall provide a written statement describing the basis for retaining any deposit.

4. Default

Resident covenants and agrees that if default shall be made in the payment of any installment of rent, or if Resident shall violate any of the terms, covenants, or conditions of this Lease, then Owner shall be entitled to re-enter and retake possession of the house and recover any and all resulting damages, including all costs and reasonable attorney's fees after a 3-day notice for late rent and a ten-day notice for any other breach of contract. Resident hereby acknowledges and agrees that in the event any statement made by Resident to Owner in connection with this Lease is subsequently determined to be false, Owner may, at its election, terminate this Lease after a ten day notice is provided.

5. Miscellaneous Provisions

Resident, for themselves, their heirs, legal representative, successors and assigns, hereby covenant and agree that:

a) Use of the premises by Residents or others is at their own risk. Owner is not and shall not be deemed to be responsible for any damage to vehicles or to contents which are on the premises, or injuries that occur on the premises.

b) Owner is not an insurer of Resident's person or personal property. Resident agrees that Owner, and its partners, agents and employees, shall not be liable for any damage to the person or property of Resident of any person occupying or visiting the premises for any reason whatsoever, including a commercial reason.

c) Resident shall not rent, sublet, transfer or assign this lease, or any interest herein, without the prior written consent of Owner, which consent may be granted, withheld, or conditioned in Owner's sole and complete discretion. Resident agrees to make no unlawful, improper or offensive use of the premises and to quit and deliver up the house and its appliances and equipment at the end of the term of this Lease in as clean a condition as they were on the date of first possession, ordinary wear and tear excepted.

d) Resident agrees to comply with all state laws, orders and government regulations which affect the premises as the same may be amended from time to time.

e) Resident may make alterations, additions or improvements to the house without Owner's prior written consent.

f) Owner or any of its agents shall have the right to enter the house during all reasonable hours to make inspections, repairs, additions, or alterations as may be deemed reasonable necessary for the safety, comfort or preservation thereof, or of the building after providing a statutory two day notice. However, owner or any of its agents may enter the house at any time for emergency repairs necessary for the protection of any person.

g) Resident must maintain premise-liability insurance on the premises.

h) If any provisions of this Lease, or the application of any provision of this Lease to any person or circumstances shall be invalid or unenforceable to any extent, the remainder of the Lease, or the application of such provision to persons or circumstances other than those to which it is invalid or unenforceable, shall not be affected thereby; and each provision of their Lease shall be valid and enforced to the fullest extent permitted by law.

i) Resident has examined the house before signing this Lease and agrees that the premises are in good and satisfactory condition.

j) If a conditional use permit must be obtained, the city of Kenai must issue the permit before any commercial activity on the premises.

k) Should any action of contest by Resident or lessor that may lead to arbitration or legal action, Owner will not be liable for any court fees and will be paid of any monetary loss or damage from court appearances and arbitration expenses.

6. Acknowledgements

IN WITNESS WHEREOF, the parties hereto have executed this Lease in several counterparts, each of which shall be deemed an original, as of the day, month, and year first above written.

On behalf of Red Run Cannabis Cultivators, LLC:

Marc Theiler
Agent of *Resident*

7-14-16
Date signed

On behalf of ACG, LLC:

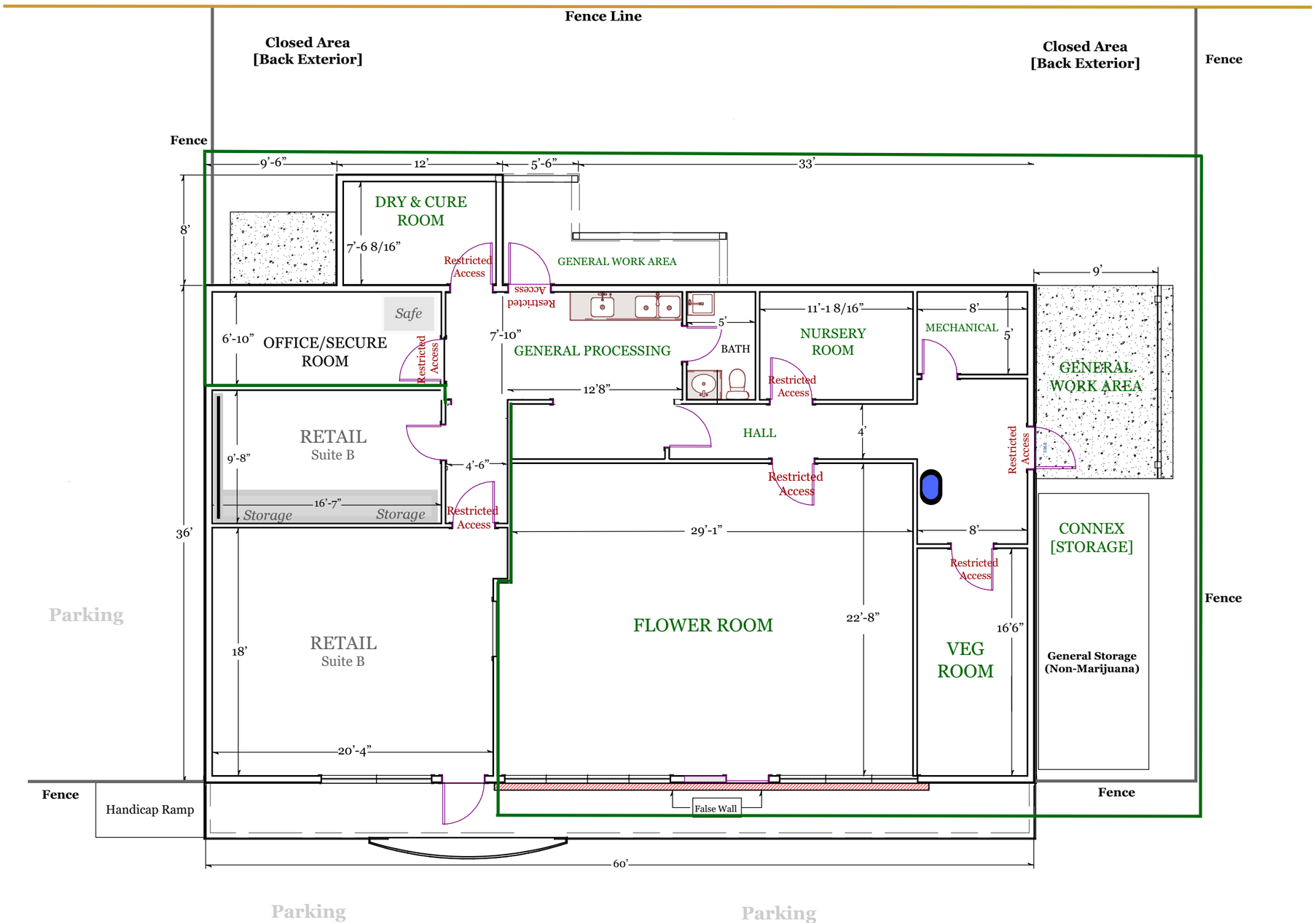
Eric Derleth, Esq.
Agent of *Owner*

7-14-2016
Date signed

Both signatures witnessed by:

Roger Boyd

7/14/16
Date signed



The same partner-owners of Red Run Cannabis Cultivators are also applying for a Retail establishment license as Red Run Cannabis Company. The Cultivation establishment and its sub-rooms are marked in Green. A Green line (2pt) demarks the outer boundaries of the proposed Cutlivation establishment premises.

RR **Floor Plan 1/8" = 1'**

Red Run Cannabis Cultivators

License # 10052

DATE
7/13/16

ERIC DERLETH - TRIAL LAWYER
386 HEATH PLACE
SOLDOTNA, ALASKA 99669
PH (907) 262-9164 - FAX (907) 262-6815

BEFORE THE ALASKA ALCOHOL & MARIJUANA CONTROL OFFICE

AFFIDAVIT OF RIGHT TO POSSESSION of 5455 KENAI SPUR HWY.
By ROGER P. BOYD

Roger P. Boyd, being first duly sworn, deposes and states the following:

1. My statements herein are based on my personal knowledge.

2. In 1987, I built the building at 5455 Kenai Spur Hwy, Kenai, Alaska.

3. I operated a gas station and food mart at that location for a time. Thereafter, I tried to sell the subject property to George and Amy Bowen using my owner-financing, but by 2011 I had to take repossession of the property and have owned it since that time.

4. On 11/3/2011, my property was transferred from George and Amy Bowen by a deed in lieu of foreclosure into my corporation RPD, Inc. – of which I am the sole shareholder.

5. Thus, I am the sole owner of 5455 Kenai Spur Hwy, Kenai, Alaska, entitled to enjoy all possessory and beneficial uses of the property.

6. In 2015, I decided to use the subject property for a combined marijuana retail and cultivation establishment; thus, I applied for and received a Conditional Use Permit from the city of Kenai in March 2016.

Roger P. Boyd

Roger P. Boyd

Subscribed and sworn to before me on April 26, 2016.

Tammy Freeman

Notary Public in and for the State of Alaska
My commission expires: Sept 10, 2019

TAMMY FREEMAN
My Commission Expires
NOTARY PUBLIC
Sep 10, 2019
STATE OF ALASKA