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May 1, 2020

Alcohol and Marijuana Control Office
Marijuana.licensing@alaska.gov
550 West 7th Ave. Suite 1600
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348 S Denali St.
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(907) 521-8420

RE: Answer to Objections to License #23988 (Green Degree, Standard Marijuana Cultivation Facility) and License #23989 (The Next Degree, Marijuana Product Manufacturing Facility)

Dear Chair and Members of the Board,

I represent HNP Incorporated and Kerby Coman in reference to the license applications mentioned above. Mr. Coman categorially denies that he has not been compliant with regulations of the Marijuana Control Board and Alaska law. All three of Mr. Mays' objections are really civil matters that should be adjudicated in the proper venue in the Alaska Court System.

1. Mr. Coman has seriously violated MCB regulations and applicable law in his operations of various marijuana establishments.
ANSWER:

Mr. Coman was elected manager of AFC in January of 2019 (see attached **Exhibit 1**). In that capacity, I have attached a copy of an agreement (see attached **Exhibit** 2) dated January 18, 2019 in which Mr. Mays acknowledged several things. **One**, that he understood that a company owned by Mr. Coman (i.e. Green Land Group LLC) was buying the property that Mr. Mays once had an option on. **Secondly**, Mr. Mays understood and agreed that due to prior acts and decisions that he was giving up free access and **decision making** in regards to Alaska Frontier Cannabis (AFC). **Thirdly**, he was giving up decision making up to Kerby Coman until a future time in which Mr. Mays' would once again gain control of the portion of the premises formally called the front bath house.

At no time, when Mr. Coman was manager, did he do anything that was inappropriate or illegal. Mr. Mays seems to make a big deal out of the fact that there were some transfers that occurred on the Metrc System. It was always understood that Mr. Coman's company would purchase AFC's product at fair market value. To now say, after the fact, that it was self-dealing is preposterous. To also say that it's inappropriate for a

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typographical error to be corrected on the Metrc is silly. AFC incorrectly typed in $2,163,417.08. Clearly, it is quite obvious that that was incorrect and needed to be corrected.

Mr. Mays' attorney was provided all documentation on March 5, 2020 and was informed that Mr. Coman, through HNP, Inc., would be applying for a new license and would be returning control of the original lease (i.e. front of bath house) back to Mr. Mays.

Again, this is a civil matter and if Mr. Mays truly believes Mr. Coman violated his fiduciary duties, then this is not the proper venue for this issue to be resolved. Again, Mr. Coman categorially denies he violated his fiduciary duties and if you look at the documentation, it is quite obvious that Mr. Coman had full intentions to return Mr. Mays the original portion of the licensed premise (i.e. front of bath house) under AFC's control (see attached **Exhibit 2 Paragraph 3**).

2. These new licenses will cause Mr. Coman's other entity, HNP, Inc., to be on the same land as and to directly compete with AFC in violation of Mr. Coman's fiduciary duties, AFC's operating agreement, MCB regulations, and Alaska Law.
ANSWER:

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It is important for the Board to understand and note that prior to Mr. Coman getting involved with the property, Mr. Mays, through AFC, entered into an agreement to lease a building (i.e. front of bath house) that resides on the 15 acres (see attached **Exhibit 3**). Once Mr. Coman got involved, his company, Green Land Group LLC, purchased the whole 15 acres and expanded AFC's footprint to include five (5) future hoop houses. It was always understood that Mr. Mays would get back his building to operate under the AFC licensed premises and that Mr. Coman would be able to obtain a new license (i.e. HNP, Inc.'s new license request) where the hoop houses are. In **Exhibit 2 Paragraph 7**, it should again be noted that Mr. Coman would return the portion of the licensed premises back to Mr. Mays and that 20% of AFC's net profit of the product grown in the hoop houses would be given to Mr. Mays. As planned, once that initial grow had occurred, Mr. Coman would transfer 24% of his shares back to Mr. Mays and give up his position as manager of AFC, which he did.

3. AFC was occupying the portion of the land on which the new licenses attempts to operate until Mr. Coman reduced AFC's licensed premises to accommodate his new licenses. Mr. Coman has been operating AFC's licensed premises with a right to possess the licenses premises at all times, in violation of 3 AAC 306.015.
ANSWER:

What Mr. Mays' and Mr. Mays' attorney have failed to disclose to the Board, is that due to the fact that Mr. Mays' failed to make his payments to Mr. Hartzler for his lease (see attached **Exhibit 3**), Mr. Hartzler entered into a new agreement with Mr. Coman and terminated his lease agreement with Mr. Hartzler. At that point, Mr. Coman entered into a Purchase Agreement with Mr. Hartzler through Green Land Group, LLC which, Mr. Coman owns. Mr. Mays acknowledged this agreement in writing (see **Exhibit 2, Paragraph 2**). I have attached an affidavit (see attached **Exhibit 4**) from Mr. Hartzler in which he indicates that Mr. Mays, as owner of AFC, originally leased the front bath house (see attached **Exhibit 3**), that Mr. Mays ultimately violated his lease agreement by failing to make

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payments to Mr. Hartzler, that Mr. Coman came in through his company, Green Land Group LLC. and purchased the whole property (including the small building Mr. Mays leased), that Mr. Mays was aware of this purchase and had no problem with it and that Mr. Mays had no claims or options to purchase the property as he failed to live up to his end of his agreement with Mr. Hartzler. It was at that point that Green Land Group, LLC, the new owners, entered into a new agreement with AFC (see **Exhibit 5**) which ultimately included the area including the hoop houses when the AFC footprint was expanded and approved by AMCO. It is apparent that Mr. Mays and/or his attorney absolutely did not understand what the lease premises are in this particular case. Mr. Coman has always been compliant with the Marijuana Control Board and has followed Alaska law. The same cannot be said for Mr. Mays.

In conclusion, if Mr. Mays feels that Mr. Coman has truly violated his fiduciary duties, I again reiterate that this needs to be adjudicated in the proper court.

Sincerely,

B. Neal Ainsworth Jr.

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EXHIBIT 1

CONSENT TO ACTION BY MEMBERS WITHOUT A MEETING

By signing this document, the undersigned, who are all of the members of Alaska Frontier Cannabis, an Alaskan limited liability company (the "Company"), consent to the taking of the following actions without a meeting of members in accordance with the terms of the Operating Agreement of the Company:

RESOLVED, that Kerby Coman is elected to serve as a manager of the Company for a term beginning on the date of this consent to action and ending at the next meeting of members of the Company called for the purpose of electing managers, or the manager's death, resignation, or removal, if earlier.

RESOLVED, that the Operating Agreement Dated January 15 2019 will be adopted as the new operating agreement to replace the operating agreement dated September 27 2017.

RESOLVED, that the registered agent of the Company shall be GD Services Company of 189 E Nelson Ave. #255 Wasilla AK 99654.

RESOLVED, that the mailing address of the company shall from this point forward be 189 E Nelson Ave. #255 Wasilla, AK 99654

RESOLVED, that the manager of company shall have all rights to bind company in contracts, including leases, loans, sales and banking, and all members will be informed prior to any such actions taking place.

The actions taken will be effective when this Consent to Action has been signed by all members of the Company.

Date: 1/18/19 Bob Mays III

By: Robert Mays III

Date: 1-18-19

By: Kerby Coman

Notary Public in and for the State of Alaska.

My commission expires: 11/25/2021

Subscribed and sworn to before me this 18th day of Jan, 2019.

STATE OF ALASKA
NOTARY PUBLIC
Julie M. Griffith
My Commission Expires Nov. 25, 2021

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PLAINTIFF
EXHIBIT NO. 2
ADMITTED ☐
(CASE NUMBER)

Agreement Between

Robert Mays III And Kerby Coman

I Robert Mays III attest that each of the statements below I am fully aware of the implications and am signing this document and agreeing to each of these line items of my own free will.

_____ I understand that the land, buildings, and all other items on the property located at 6570 W Trevett Cir Wasilla AK 99654 are being purchased by Green Land Group LLC (This statement of property does not apply to any of Robert Mays personal items including his trailer, his vehicle and other personal items) and I have no right to pledge any portion of said land to any party whatsoever and I do not have control of the land. If at a future time I have the means to purchase the land a new valuation will be determined at that time with a starting basis point of the land today being worth $1,850,000 and if I am able to pay in full the title to the land will be transferred to me

_____ I Robert Mays III understand and agree that due to prior acts and decisions I am voluntarily surrendering my right to free access and decision making in regards to Alaska Frontier Cannabis to Kerby Coman until a future time that Kerby Coman chooses to return a portion of the licensed premises back to my sole control.

_____ I understand and agree that I will not access any portion of the licensed facility unless under direct supervision of managers Kerby has appointed over me or until I receive control of licensed premises back.

_____ I understand and agree that the current facility as it is will have 2 FULL harvests run through it, and will be used to germinate seeds for an outdoor crop prior to it being returned to my control.

_____ The financial benefit of the 2 crops listed earlier in this document will be due to Kerby Coman for repayment of loaned money to keep my cultivation operational

_____ On 1/19/20 I will have the financial benefit of 100% of the crops grown under my control and 20% of the net profit of any other crop grown under the GDFoC control under Alaska Frontier Cannabis LLC Standard Cultivation License #14396 and at that point Kerby will transfer 24% of Alaska Frontier Cannabis LLC back to my control and I will have the right to replace Kerby Coman as the manager of Alaska Frontier Cannabis LLC if I so desire.

_____ I agree that if I deviate from these signed agreements I will have to surrender all keys, codes and any other means of access to facilities associated with the grow and license, this statement does not refer to a standalone grow space that MAY be provided if funding allows

_____ _____

Robert Mays III Kerby Coman

_____

Notary Public in and for the State of Alaska.

My commission expires: 11/25/2021

Subscribed and sworn to before me this 15th day of January, 20 19.

STATE OF ALASKA
NOTARY PUBLIC
Julie M. Grimm
My Commission Expires Nov. 25, 2021

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EXHIBIT 3

Lease Agreement – short form

This lease agreement is made between Robert P. Hartzler, of sound mind and sound body (landlord) and Alaska Frontier Cannabis, LLC, of sound mind and sound body (Tenant).

For good consideration, it is agreed between the parties as follows:

Landlord hereby leases and rents to Tenant the first building on the back 10 acres of property, known as the front bath house located on the property at 6570 W Trevett Cir Suite C, Wasilla, AK 99623 for the purpose of a licensed marijuana cultivation, described as follows:

1. This lease shall be in effect for a term of 5 years, commencing on Feb 1, 2018 and terminating in 2023.
2. The tenant shall pay landlord the annual rent of 60,000 during said term, in 4 separate payments of 15,000 at the end of each quarter.
3. Tenant further agrees that:

   Upon the expiration of the lease or upon the landlord taking control of the property, the landlord will not claim or possess any property or product of Alaska Frontier Cannabis that is inside the leased building pending mitigation of The Alaskan Alcohol and Marijuana Control Board office and obtain guidance on handling any marijuana left on the premises.

   Alaska Frontier Cannabis shall not assign or sub-let or allow any other person to occupy the leased promises without Landlord's prior consent.

   Alaska Frontier Cannabis shall not make any material or structural alterations to the leased premises without Landlords prior consent.

   Alaska Frontier Cannabis shall comply with all building, zoning and health codes and other applicable laws for said leased premises.

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4. This lease shall be binding upon the inure to the benefit of the parties, their successors, assigns and personal representatives.

Additional Lease Terms: This lease is with an option to buy at the total price of 1,850,000.00 (one million eight hundred fifty thousand dollars) with the lease payments and any payments made directly to the mortgage account counting towards the purchase of property. At such a time as the RV Park closes and starting that very month, the tenant will agree to pay all utilities of the property and ½ of the current mortgage payment until the mortgage is paid in full or until the tenant has purchased the property outright.

Signed and sealed this 1 day of February, 2018

Robert P. Hartzler

Landlord (Robert P. Hartzler)

Bob Mays III

Tenant (Robert A. Mays III aka Alaska Frontier Cannabis, LLC)

Jan Richardson

Witness (Jan Richardson)

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EXHIBIT 4

B. Neal Ainsworth
Alaska Bar No. 1609073
2521 E Mountain Village Drive B223
Wasilla, AK 99654
Alaska Bar # 1609073
Tel: 907.521.8420
Fax: 907.308.6386
Alaskalawyer55@gmail.com

AFFIDAVIT

I, Robert P. Hartzler, state the following:

I entered into an agreement to lease to Robert Mays through his company AFC, on February 1, 2018 a building on my property commonly known as the front bath house. Mr. Mays was to pay me $15,000 every 3 months for the lease of that building. Also, if my RV park was closed due to Mr. Mays' sale of marijuana, which it was, then he also agreed to pay all utilities as well as one half of the mortgage payment each month. Mr. Mays never paid me any money, ever.

Mr. Mays introduced me to Kerby Coman. They indicated they Mr. Coman would be buying part of AFC from Mr. Mays. Since Mr. Mays had not made any payments, I terminated Mr. Mays' lease with him verbally and entered into a new agreement in which I agreed to sell the whole property to Mr. Coman through his company, called Green Land Group, LLC. Mr. Mays acknowledged that and said he had no problem with it. From that time forward, when Mr. Coman purchased the property, he has made monthly payments to me as agreed. At that particular point, it is my understanding that Green Land Group entered into a new lease with AFC as I had terminated the old agreement with Mr. Mays.

Dated this 2 day of May, 2020.

Robert P. Hartzler

SWORN to subscribed before me in Wasilla Alaska, this 2nd day of May, 2020.

SAMANTHA L. DOCKINS
NOTARY PUBLIC
STATE OF ALASKA
My Commission Expires JANUARY 22, 2024

NOTARY PUBLIC
My Commission Expires: 1/22/2024

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EXHIBIT 5

COMMERCIAL LEASE AGREEMENT

THE PARTIES. This Lease Agreement agreed on January 1st 2019 is between:

The **Lessor** is a business entity known as Green Land Group LLC with a mailing address of 189 E Nelson Ave, #255, Wasilla, Alaska, 99654, hereinafter referred to as the "Lessor".

AND

The **Lessee** is a business entity known as Alaska Frontier Cannabis LLC with a mailing address of 189 E Nelson Ave, #255, Wasilla, Alaska, 99654, hereinafter referred to as the "Lessee".

The Lessor and Lessee hereby agree as follows:

DESCRIPTION OF LEASED PREMISES. The Lessor agrees to lease to the Lessee the following described Cultivation Space located at 6570 W Trevett Cir, Ste C, Wasilla, Alaska, 99623. Please view the attached Map, titled "Map #2".

USE OF LEASED PREMISES. The Lessor is leasing the Premises to the Lessee and the Lessee is hereby agreeing to lease the Premises for Any legal commercial pursuit in the state of Alaska. Green Land Group LLC is aware and consents to the operation of any and all commercial legal marijuana - cannabis operations on the property and Green Land Group and all of its representatives certify that no possession nor removal of any marijuana will happen on behalf of the landlord. If any need arises that will impede on the above statement AMCO enforcement will be immediately notified..

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

EXCLUSIVE USE. The Lessee shall not hold exclusive rights on the Premises. The Lessor shall hold the rights to lease other areas of the Property to any same or like use as the Lessee.

TERM OF LEASE. This Lease shall commence on January 1st 2019 and expire at Midnight on December 31st 2019 ("Initial Term").

RENT AMOUNT. Payment shall be made by the Lessee to the Lessor in the amount of $50,000.00 for the Initial Term of this Lease Agreement hereinafter referred to as the "Rent".

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

Rent shall be paid by the Lessee to the Lessor on a per month basis with payment due no later than the 5th of every month.

Rent shall be paid in cash or another acceptable manner on or before the date due

RETURNED CHECKS (NSF). If the Lessee attempts to pay Rent with a check that is not deemed valid by a financial institution due to non-sufficient funds, or any other reason for it to be returned, the Lessee will be subject to a fee of $0 in addition to any late fee.

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

OPTION TO RENEW. The Lessee shall not have the right to renew this Lease Agreement.

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

It is the intention of the Parties, and they hereby agree, that the above mentioned Rent is the entirety of the payment due per month and expenses payable by Lessee to Lessor and Lessee is not obligated to pay any additional expenses including real estate taxes, insurance (other than on the Lessee's personal property) liens, charges or expenses of any nature whatsoever in connection with the ownership and operation of the Premises. The Lessor shall be obligated to maintain the general exterior structure of the Premises and, in addition, shall maintain all major systems such as the heating, plumbing and electrical, and shall maintain the parking area and shall also provide snow removal and ground maintenance of the grounds and lands surrounding the Premises, except as hereinafter set forth. The Lessee will maintain, at their expense, casualty insurance insuring the leased Premises against loss by fire and negligence. The Lessee shall provide and maintain personal liability and property damage insurance as a lessee and will designate the Lessor as an "also named insured". The Lessee shall provide the Lessor with a copy of such insurance certification or policy prior to the effective date of this Lease, at least to the limits of $1,000,000.00.

UTILITIES. The Lessee shall be responsible for any and all utilities to the Premises in relation to the total property area.

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

FURNISHINGS. The Lessor will not be provided with any furnishings to the Lessee under this Lease.

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

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

RIGHT OF FIRST REFUSAL. Lessor grants to Lessee throughout the Initial Term, along with any renewal periods, a right of first refusal to purchase the Premises pursuant to any offer received and accepted by the Lessor. Lessor must notify Lessee in writing and offer to purchase all or part of the Premises with Lessee having 7 calendar days after receipt of the notice to exercise its right of first refusal and notify Lessor of its decision whether or not to purchase the Premises under the same or similar terms under the offer accepted by the Lessor.

If financing is needed by the Lessee, the Lessee will be allowed the time-frame as stated in the offer accepted that was accepted by the Lessor. If the offer accepted by the Lessor is not contingent on financing then the Lessee shall be granted a maximum of 30 days to secure financing for the purchase of the Premises.

LEASEHOLD IMPROVEMENTS. The Lessee agrees that no leasehold improvements, alterations or changes of any nature, (except for those listed on any attached addenda) shall be made to the leasehold Premises or the exterior of the building without first obtaining the consent of the

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Lessor in writing, which consent shall not be unreasonably withheld, and thereafter, any and all leasehold improvements made to the Premises which become affixed or attached to the leasehold Premises shall remain the property of the Lessor at the expiration or termination of this Lease Agreement. Furthermore, any leasehold improvements shall be made only in accordance with applicable federal, state or local codes, ordinances or regulations, having due regard for the type of construction of the building housing the subject leasehold Premises. If the Lessee makes any improvements to the Premises the Lessee shall be responsible payment.

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

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

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

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

SALE OF PROPERTY. Lessee shall, in the event of the sale or assignment of Lessor's interest in the building of which the premises form a part, or in the event of any proceedings brought for the foreclosure of, or in the event of exercise of the power of sale under any mortgage made by Lessor covering the premises, attorn to the purchaser and recognize such purchaser as Lessor under this Lease.

COMMON AREAS. The Lessor shall be responsible for any costs related to the maintenance and upkeep of the common areas which is defined as space used by more than one (1) of the Lessees on the Property. Common areas, include but are not limited to, entry-ways, bathrooms, meeting rooms, and any other space on the Property that is shared by the Lessees or Co-Tenants.

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

SUBLET/ASSIGNMENT. The Lessee may not transfer or assign this Lease, or any right or interest hereunder or sublet said leased premises or any part thereof.

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

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

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

LESSEE'S DEFAULT AND POSSESSION. In the event that the Lessee shall fail to pay said rent and expenses as set forth herein, or any part thereof, when the same are due and payable, or shall otherwise be in default of any other terms of said Lease for a period of more than 15 days, after receiving notice of said default, then the parties hereto expressly agree and covenant that the Lessor may declare the Lease terminated and may immediately re-enter said premises and take possession of the same together with any of Lessee's personal property, equipment or fixtures left on the premises which items may be held by the Lessor as security for the Lessee's eventual payment and/or satisfaction of rental defaults or other defaults of Lessee under the Lease. It is further agreed,

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that if the Lessee is in default, that the Lessor shall be entitled to take any and all action to protect its interest in the personal property and equipment, to prevent the unauthorized removal of said property or equipment which threatened action would be deemed to constitute irreparable harm and injury to the Lessor in violation of its security interest in said items of personal property. Furthermore, in the event of default, the Lessor may expressly undertake all reasonable preparations and efforts to release the Premises including, but not limited to, the removal of all inventory, equipment or leasehold improvements of the Lessee's, at the Lessee's expense, without the need to first procure an order of any court to do so, although obligated in the interim to undertake reasonable steps and procedures to safeguard the value of Lessee's property, including the storage of the same, under reasonable terms and conditions at Lessee's expense, and, in addition, it is understood that the Lessor may sue the Lessee for any damages or past rents due and owing and may undertake all and additional legal remedies then available.

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

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

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

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

BANKRUPTCY - INSOLVENCY. The Lessee agrees that in the event all or a substantial portion of the Lessee's assets are placed in the hands of a receiver or a Trustee, and such status continues for a period of 30 days, or should the Lessee make an assignment for the benefit of creditors or be adjudicated bankrupt, or should the Lessee institute any proceedings under the bankruptcy act or any amendment thereto, then such Lease or interest in and to the leased premises shall not become an asset in any such proceedings and, in such event, and in addition to any and all other remedies of the Lessor hereunder or by law provided, it shall be lawful for the Lessor to declare the term hereof ended and to re-enter the leased land and take possession thereof and all improvements thereon and to remove all persons therefrom and the Lessee shall have no further claim thereon.

SUBORDINATION AND ATTORNMENT. Upon request of the Lessor, Lessee will subordinate its rights hereunder to the lien of any mortgage now or hereafter in force against the property or any portion thereof, and to all advances made or hereafter to be made upon the security thereof, and to any ground or underlying lease of the property provided, however, that in such case the holder of

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such mortgage, or the Lessor under such Lease shall agree that this Lease shall not be divested or in any way affected by foreclosure, or other default proceedings under said mortgage, obligation secured thereby, or Lease, so long as the Lessee shall not be in default under the terms of this Lease. Lessee agrees that this Lease shall remain in full force and effect notwithstanding any such default proceedings under said mortgage or obligation secured thereby.
Lessee shall, in the event of the sale or assignment of Lessor's interest in the building of which the Premises form a part, or in the event of any proceedings brought for the foreclosure of, or in the event of exercise of the power of sale under any mortgage made by Lessor covering the Premises, attorn to the purchaser and recognize such purchaser as Lessor under this Lease.

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

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

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

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

AMERICANS WITH DISABILITY ACT. Per 42 U.S. Code § 12183 if the Lessee is using the Premises as a public accommodation (e.g. restaurants, shopping centers, office buildings) or there are more than 15 employees the Premises must provide accommodations and access to persons with disabilities that is equal or similar to that available to the general public. Owners, operators, lessors, and lessees of commercial properties are all responsible for ADA compliance. If the Premises is not in compliance with the Americans with Disability Act any modifications or construction will be the responsibility of the Lessor.

RIGHT OF ENTRY. It is agreed and understood that the Lessor and its agents shall have the complete and unencumbered right of entry to the Premises at any time or times for purposes of inspecting or showing the Premises and for the purpose of making any necessary repairs to the building or equipment as may be required of the Lessor under the terms of this Lease or as may be

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deemed necessary with respect to the inspection, maintenance or repair of the building. In accordance with State and local laws, the Lessor shall have the right to enter the Premises without the consent of the Lessee in the event of an emergency.

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

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

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

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

NOTICES. Notices shall be addressed to the following:

Lessor
Green Land Group LLC
189 E Nelson Ave, #255, Wasilla, Alaska, 99654

Lessee
Alaska Frontier Cannabis LLC
6570 W Trevett Cir, Ste C, Wasilla, Alaska, 99623189 E Nelson Ave, #255, Wasilla, Alaska, 99654

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

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

BINDING EFFECT. This Lease and any amendments thereto shall be binding upon the Lessor and the Lessees and/or their respective successors, heirs, assigns, executors and administrators.

LESSOR SIGNATURE

Signature _____ Date 1-1-19
Kerby Coman, Manager of Green Land Group LLC

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LESSEE SIGNATURE

Signature _____ Date 1-1-19
Kerby Coman, Manager

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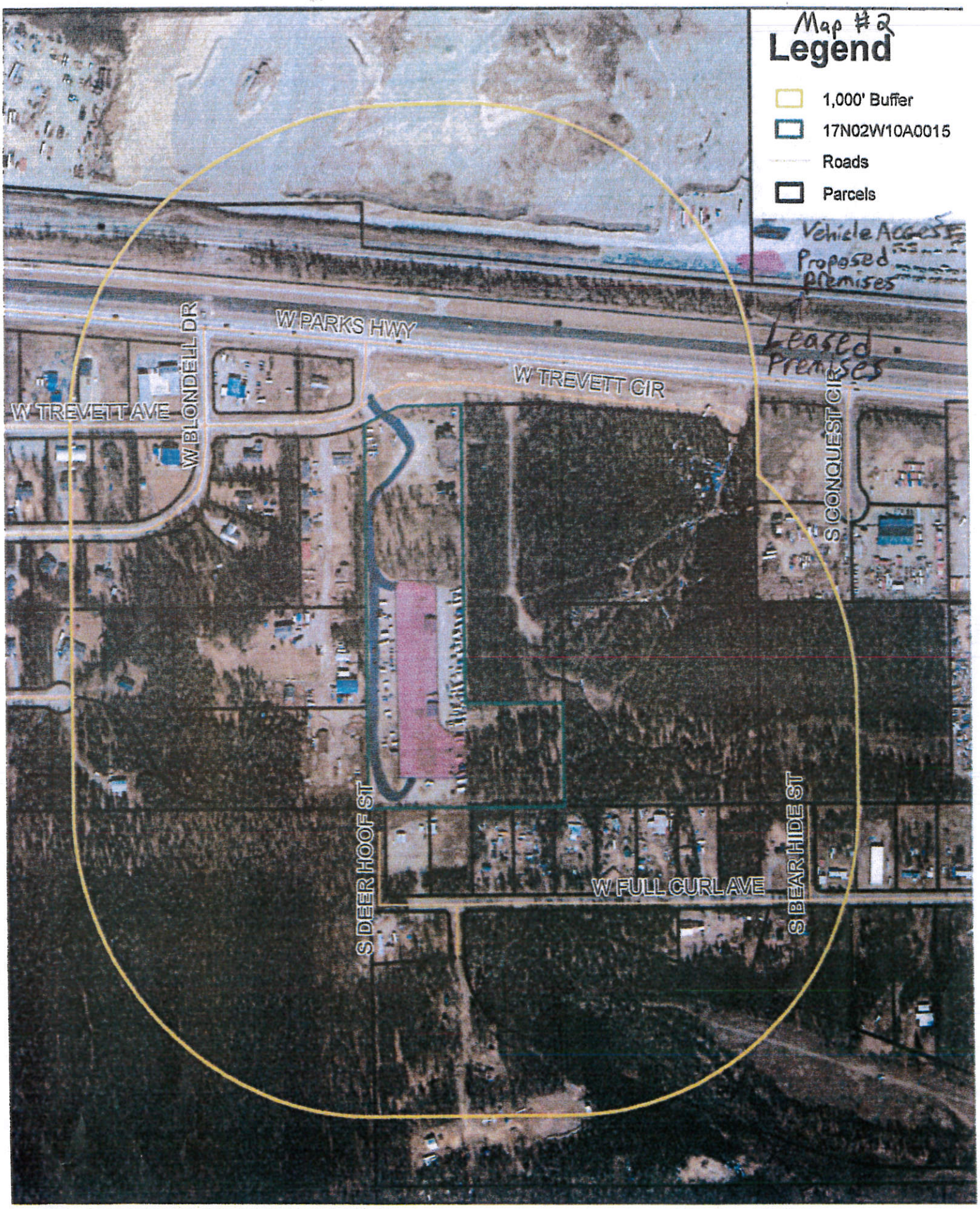

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1 inch = 400 feet

0 400 800 Feet

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