



THE STATE
of **ALASKA**
GOVERNOR MIKE DUNLEAVY

**Department of Commerce, Community,
and Economic Development**

ALCOHOL & MARIJUANA CONTROL OFFICE
550 West 7th Avenue, Suite 1600
Anchorage, AK 99501
Main: 907.269.0350

MEMORANDUM

TO: Chair and Members of the Board DATE: March 22, 2021
FROM: Jane P. Sawyer RE: Voodoo Cannabis Company lic.
Regulations Specialist 11920

Voodoo Cannabis Company, a standard marijuana cultivation facility, is requesting changes (MJ-15 – 4.1 of MJ-04). The licensee is adding units H and K which are adjacent to rest of their licensed premises to add cultivation space. The operating plan change has been temporarily approved. The updated diagram has been approved (MJ-14), but it is attached in case is needed as reference. The licensee has a lease for these two units, it is attached.





Alaska Marijuana Control Board Form MJ-15: Operating Plan Change

What is this form?

This operating plan change form is required for all marijuana establishment licensees seeking to change a licensed marijuana establishment's existing operating plan, as required by 3 AAC 306.100. With this form, a licensee may request changes to as much or as little as desired of Form MJ-01 and/or the corresponding operating plan supplemental for the establishment's license type. **The required \$250 change fee may be made by check, cashier's check, or money order.**

Please complete and submit with this form the pages of Form MJ-01 and/or the corresponding operating plan supplemental that ~~contain sections that you are requesting to change. All fields must be completed of any page for which you are requesting changes~~ – upon board approval, the submitted pages will replace those currently on file. If your current, approved operating plan is on the original version of the forms, you may be required to complete and submit the new operating plan forms in their entirety.

The form(s) that I am requesting board approval to change is:

- Form MJ-01: Marijuana Establishment Operating Plan
- Form MJ-03: Retail Marijuana Store Operating Plan Supplemental
- Form MJ-04: Marijuana Cultivation Facility Operating Plan Supplemental
- Form MJ-05: Marijuana Product Manufacturing Facility Operating Plan Supplemental
- Form MJ-06: Marijuana Testing Facility Operating Plan Supplemental

This form must be completed and submitted to AMCO's main office prior to changing existing operations. The licensed establishment's operations may not be altered unless and until the director has given temporary approval or the Marijuana Control Board (MCB) has given final approval of the changes. Please note that licensees seeking to change operating plans for multiple licenses must submit a separate completed copy of this form for each license.

Section 1 – Establishment Information

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

Licensee:	Alaska Joint Ventures LLC	MJ License #:	11920	
License Type:	Standard Marijuana Cultivation			
Doing Business As:	Voodoo Cannabis Company			
Premises Address:	7801 Schoon St units D, H,J, and K			
City:	Anchorage	State:	Alaska	ZIP: 99518

DEC 30 2020

Received by AMCO 12.29.20



Form MJ-15: Operating Plan Change

Section 2 – Summary of Changes

Provide a summary of the changes for which you are requesting approval.

Voodoo Cannabis Company is expanding its licensed premises to include 2 adjacent units; unit H and unit K. This will add 1625 sqft of growing space to the existing cultivation. No other changes to the operating plan are being requested.

Section 3 – Declarations

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

Initials

The proposed changes conform to all applicable public health, fire, and safety laws.

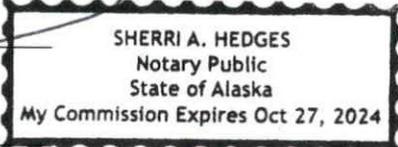
I understand that any temporary approval granted by the director is pending a final decision by the MCB; therefore, any investment I make, based upon temporary approval, is at my own risk.

As a marijuana establishment licensee, I declare under penalty of unsworn falsification that this form, including all accompanying schedules and statements, is true, correct, and complete.

Signature of licensee

Colleen Howard

Printed name of licensee



Sherrri A. Hedges
Notary Public in and for the State of Alaska.

My commission expires: 10/27/24

Subscribed and sworn to before me this 30 day of December, 2020.

AMCO Director Review for Temporary Approval Pending Final MCB Decision:

Approved Disapproved

12/31/2020

Glen Klinkhart

Printed name of Director

Date

Glen Klinkhart
3877CBCDD3CA4CA...

Signature of Director

AMCO

DEC 30 2020

Director Comments:

Temporary approval for the changes made to MJ-04, 4.1: modifications to expand into units H and K. An MJ-14 goes along with this.



Section 2 – Overview of Operations

2.1. Provide an overview of your proposed facility’s operations. Include information regarding the flow of marijuana from seed or clone to harvest and transfer from your premises:

Voodoo Cannabis Company will propagate marijuana from seed or clone to flower for the legal cannabis market in Alaska. All marijuana, marijuana plants and plant pieces, and marijuana waste will remain inside of the restricted areas and under surveillance Camera at all times or until disposal or transfer. Plants will be grown from seed or cuttings in a grow medium such as, soil, water, coco fiber or rockwool. Once plants are 8 inches tall, they will be tagged into the METRC system. Tagged plants, not intended to become donor plants, may live their entire life cycle in the same room, but typically will be transferred into one of the grow rooms to mature through the vegetative and flower stages. Plants will be harvested at the end of their lifecycle and hung to dry in place or moved to another room designated for that purpose where the drying and curing process can complete. Marijuana plant waste will be recorded and disposed of per AMCO and the municipality of Anchorage regulations. Typically, samples of harvested marijuana will be sent for testing within 2 weeks of harvest. Untested marijuana will not be sold or transferred to another licensee, except for samples sent to licensed testing facilities. Marijuana flower will be trimmed, assigned a METRC package tags and packaged for resale or sold in bulk to other licensed marijuana facilities. The movement of individual plants, harvests, marijuana waste and packaged marijuana throughout the licensed premises will be tracked via the METRC system. Transfer of marijuana out of the facility will be tracked through METRC. All marijuana transfers will be accompanied by the proper manifest and test result documentation.

Section 3 – Prohibitions

Review the requirements under 3 AAC 306.405 and 3 AAC 306.410.

3.1. I certify that the marijuana cultivation facility will not:

Initials

- a. sell, distribute, or transfer any marijuana or marijuana product to a consumer, with or without compensation;
b. allow any person, including a licensee, employee, or agent, to consume marijuana or marijuana product on the licensed premises or within 20 feet of the exterior of any building or outdoor cultivation facility; or
c. treat or otherwise adulterate marijuana with any organic or nonorganic chemical or compound to alter the color, appearance, weight, or odor of the marijuana.

Three boxes containing handwritten initials 'u' corresponding to items a, b, and c.

Section 4 – Cultivation Plan

Review the requirements under 3 AAC 306.420 and 3 AAC 306.430.

4.1. Describe the size of the space(s) the marijuana cultivation facility intends to be under cultivation, including dimensions and overall square footage. Provide your calculations below:

Total under cultivation 2975 sqft
Unit D, Room 1, dimensions 23'x15', 345sqft
Unit D, Room 2, dimensions 9'x12', 108qft
Unit D, Room 3, dimensions 13'x12', 276sqft
Unit H, Room 4, dimensions 8'x12', 96sqft
Unit H, Room 5, dimensions 12'x12', 144sqft
Unit H, Room 6, dimensions 20'x29', 580sqft
Unit J, Room 7, dimensions 23'x27', 621sqft
Unit K, Room 8, dimensions 23'x25', 575sqft
Unit K, Room 9, dimensions 10'x17', 170sqft
Unit K, Room 10, dimensions 10'x6', 60sqft

MJ-14 attached in case
it is needed as
reference



Alaska Marijuana Control Board

Form MJ-14: Licensed Premises Diagram Change

What is this form?

This licensed premises diagram change form is required for all marijuana establishment licensees seeking to alter the functional floor plan or reduce or expand the area of the establishment's existing licensed premises.

The required \$250 change fee may be made by check, cashier's check, or money order.

This form must be completed and submitted to AMCO's main office prior to altering the existing floor plan, and along with an initiated application for an Onsite Consumption Endorsement if applicable. The licensed premises may not be altered unless and until the application has been approved by the board.

Section 1 – Establishment Information

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

Licensee:	Alaska Joint Ventures LLC	MJ License #:	11920		
License Type:	Standard Cultivation				
Doing Business As:	Voodoo Cannabis Company				
Premises Address:	7801 Schoon St unit D, H, J, and K				
City:	Anchorage	State:	Alaska	ZIP:	99518

Section 2 – Required Information

For your security, do not include locations of security cameras, motion detectors, panic buttons, and other security devices.

The following details must be included:

- License number and DBA
- Legend or key
- Color coding
- Dimensions
- Labels
- True north arrow
- Surveillance room
- Licensed premises boundary
- Restricted access areas
- Storage areas
- Entrances, exits, and windows
- Walls, partitions, and counters
- Any other areas that must be labeled for specific license types
- Serving area**
- Employee monitoring area**
- Ventilation exhaust points, if applicable**

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Items marked with a double asterisks (**) are only required for those retail marijuana establishments that are submitting the MJ-14 form in conjunction with an onsite consumption endorsement application.



Form MJ-14: Licensed Premises Diagram Change

Section 3 – Summary of Changes

Provide a summary of the changes for which you are requesting approval.

Currently Voodoo Cannabis Company LLC occupies units D and J in a 12-unit building at 7801 Schoon St Anchorage, AK 99518.

This proposed expansion will add two additional units. Unit H and unit K.

Units H & K will be used as additional growing space, marijuana packaging and storage.

Both proposed units (H and K) share a common wall with the existing cultivation.

All the existing and proposed licensed premises will be accessible via interior doors or pass throughs.

This proposed diagram change will add 1697 square feet to the licensed premises for a total of 3042 square feet.

Please see attached diagrams.

Section 4 – Declarations

Read each statement below, and then sign your initials in the corresponding box to the right [if applicable]:

Initials

If a local building permit is required, I have attached a copy of it to this form.

u

The proposed changes conform to all applicable public health, fire, and safety laws.

u

I have included a title, lease or other documentation showing sole right of possession to the additional area(s) if the additional area(s) are not already part of my approved licensed premises.

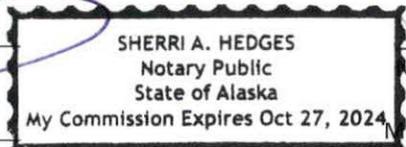
u

As a marijuana establishment licensee, I declare under penalty of unsworn falsification that this form, including all accompanying schedules and statements, is true, correct, and complete.

Signature of licensee

Colleen Howard

Printed name of licensee



Sherrri A. Hedges
Notary Public in and for the State of Alaska.

My commission expires: 10/27/24

Subscribed and sworn to before me this 23rd day of NOV, 2020





Form MJ-14: Licensed Premises Diagram Change

Section 5 - Approvals

Local Government Review is required to be completed before submission to the Alcohol and Marijuana Control Office.

Local Government Review (to be completed by an appropriate local government official): Yes No Pending

The proposed changes shown on this form conform to all local restrictions and laws.

* Modification to munj SLUP required

<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	

A local building permit is required for the proposed changes.

[Signature]
Signature of local government official

C20-1937
Building Permit #

11-25-20
Date

Ryan Velle
Printed name of local government official

Senior Planner
Title

Section 6 - AMCO Review

AMCO Review:

[Signature]
Signature of AMCO Enforcement Supervisor
James Hoelscher 12/31/2020
Printed name of AMCO Enforcement Supervisor

DocuSigned by:
[Signature]
3877C8CDD3CA4CA...
Signature of Director
Glen Klinkhart
Printed name of Director

Approved Disapproved

12/31/2020
Date

AMCO Comments:

Requires camera coverage inspection by enforcement.

AMCO

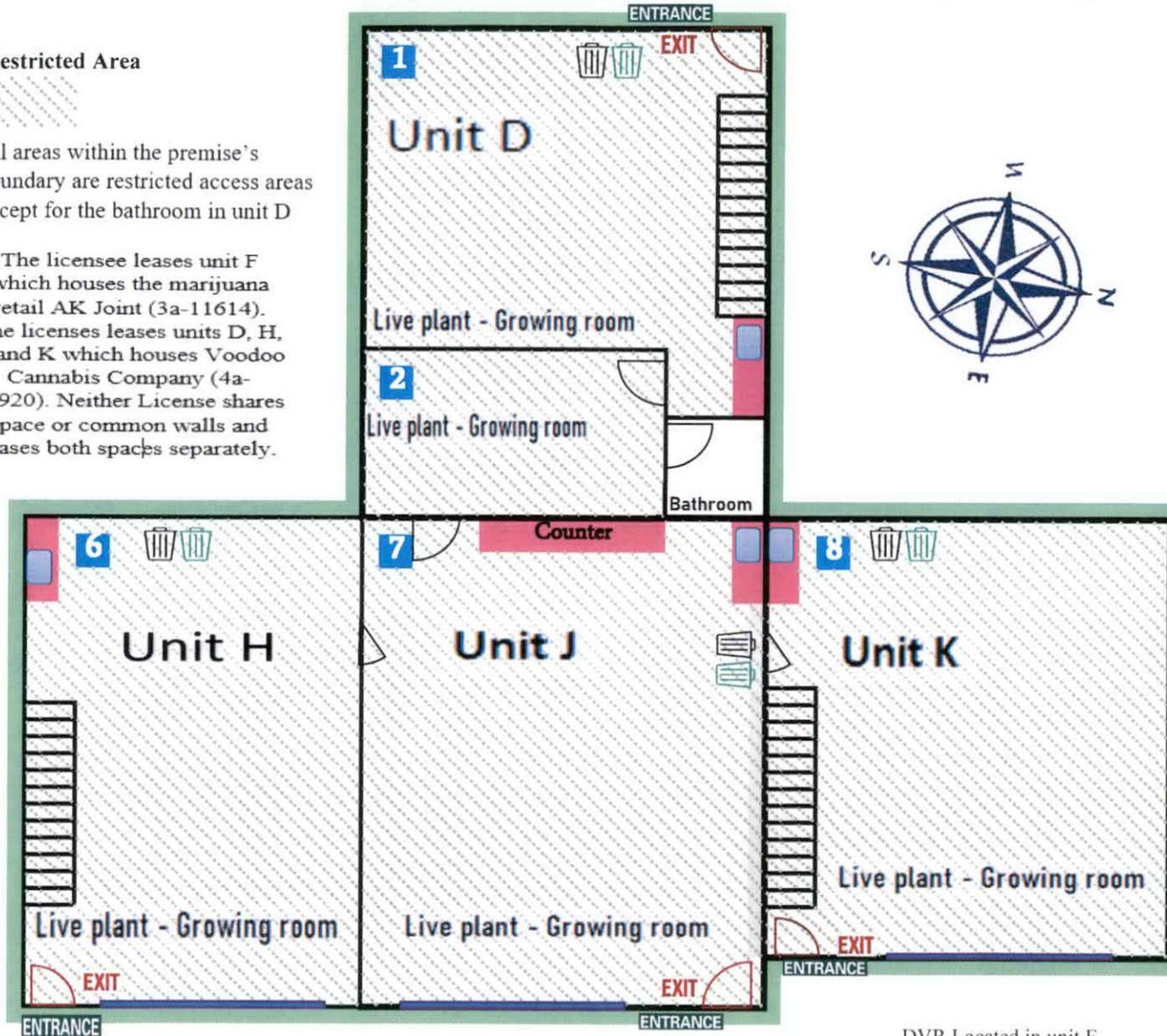
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Voodoo Cannabis Company 4a-11920 Diagram 1 (ground floor)

Restricted Area

All areas within the premise's boundary are restricted access areas except for the bathroom in unit D

The licensee leases unit F which houses the marijuana retail AK Joint (3a-11614). The licensee leases units D, H, J, and K which houses Voodoo Cannabis Company (4a-11920). Neither License shares space or common walls and leases both spaces separately.



- 1 Unit D 23'x15' (345 sqft)
- 2 Unit D 9'x12' (108 sqft)
- 3 Unit D 12'x 23' (276 sqft)
- 4 Unit H 8'x12' (96 sqft)
- 5 Unit H 12'x12' (144 sqft)
- 6 Unit H 20'x29' (580 sqft)
- 7 Unit J 23'x27' (621 sqft)
- 8 Unit K 23'x25' (575 sqft)
- 9 Unit K 10'x17' (170 sqft)
- 10 Unit K 10'x6' (60 sqft)

Disabled overhead door
Licensed Premises Boundary

Exterior Door, restricted access



Interior Door



Wall



Trash



Sink



DVR Located in unit F



Counter with Nutrient Storage



Added sqft 1697 New total 3074 sqft

AMCO

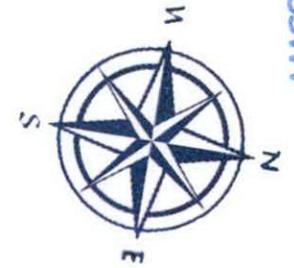
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Voodoo Cannabis Company 4a-11920 Diagram 1 (Mezzanine Level)

Restricted Area

All areas within the premise's boundary are restricted access areas except for the bathroom in unit D

The licensee leases unit F which houses the marijuana retail AK Joint (3a-11614). The licensee leases units D, H, J, and K which houses Voodoo Cannabis Company (4a-11920). Neither License shares space or common walls and leases both spaces separately.



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Unit D - Mezzanine



Unit K Mezzanine



Unit H Mezzanine



Surveillance Area



Licensed Premises Boundary

DVR Located in unit F



Interior Door



Wall

Sink



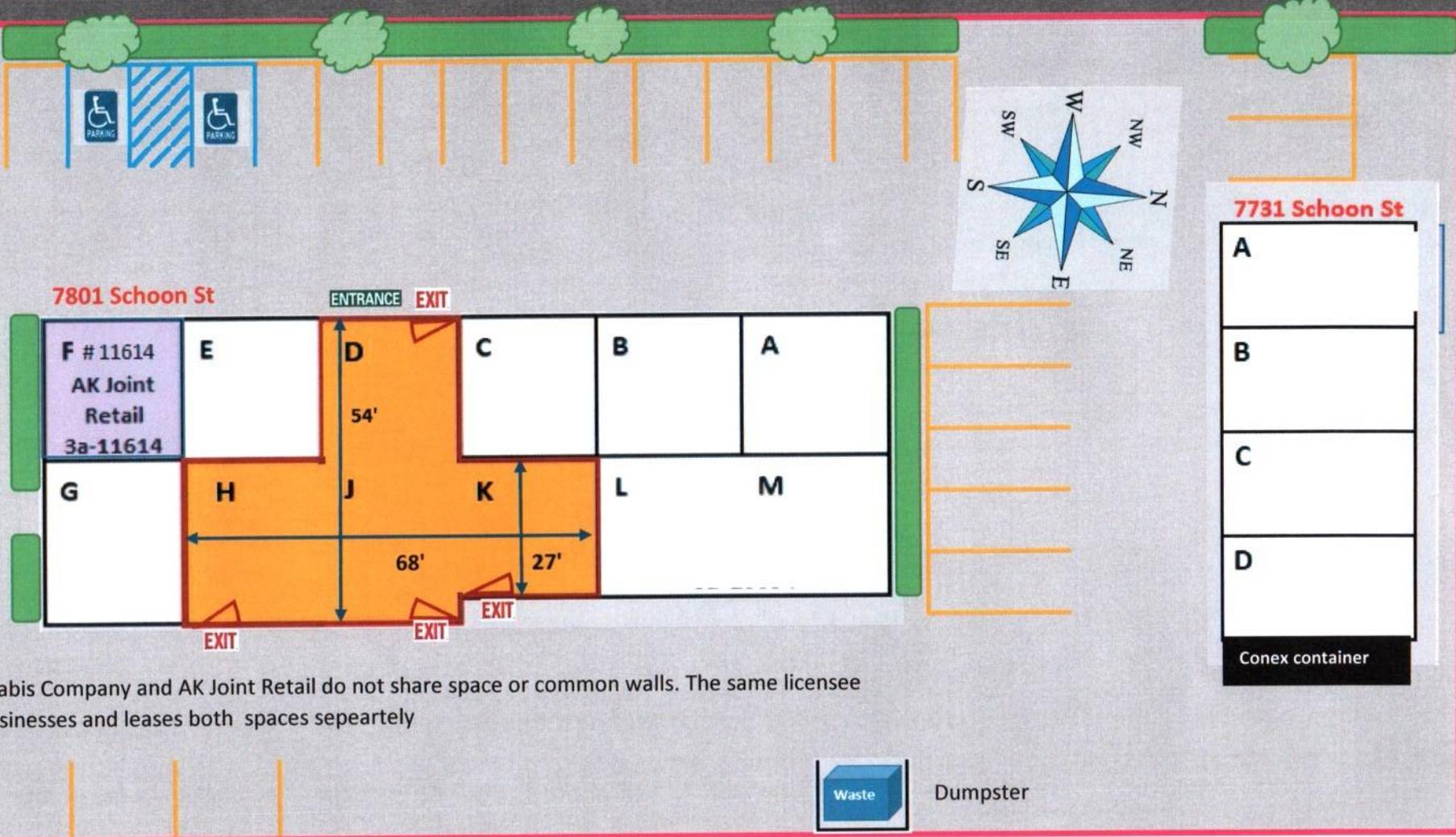
Trash



- 3 Unit D 12'x 23' (276 sqft)
- 4 Unit H 8'x12' (96 sqft)
- 5 Unit H 12'x12' (144 sqft)
- 9 Unit K 10'x17' (170 sqft)
- 10 Unit K 10'x6' (60 sqft)

Voodoo Cannabis Company 4a-11920 Diagram 3

Schoon Street



Voodoo Cannabis Company and AK Joint Retail do not share space or common walls. The same licensee owns both businesses and leases both spaces separately

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- Premises boundary
 - Unit D, J H & K. Licensed premises and restricted area footprint for Voodoo Cannabis Company
 - Locked and alarmed ingress/egress
 - Unit F: Other leased Space.
 - Lot boundary
 - Landscaping
 - Fence
 - Waste Dumpster
 - Handicap Parking Lines
 - Parking Lines
- Building 7731**
- A. Cultivated confections (5a-20532)
 - B. Got Glass
 - C. Delarosa Auto Repair
 - D. Future Cultivation
- Building 7801**
- A. office space
 - B. The Healing Center
 - C. Valla Tattoo
 - D. Voodoo Cannabis Company (4a-11920)
 - E. Dog's Day Groomer
 - F. AK Joint (Marijuana Retail) (3a-11614)
 - G. SW Construction
 - H. Voodoo Cannabis Company (4a-11920)
 - J. Voodoo Cannabis Company (4a-11920)
 - K. Voodoo Cannabis Company (4a-11920)
 - L. Cold Creek Extracts (5a-15594)
 - M. Cold Creek Extracts (5a-15594)

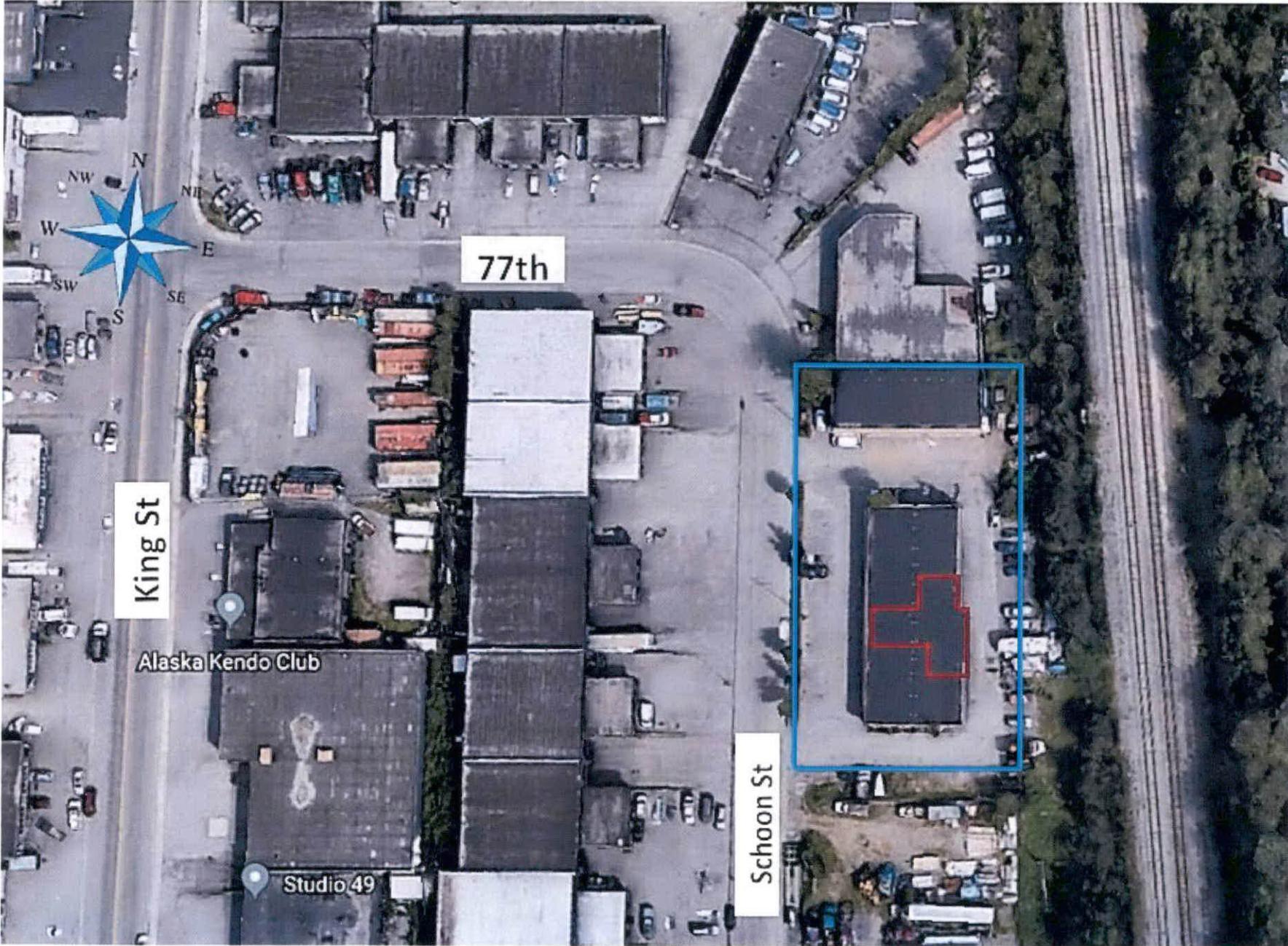
Voodoo Cannabis Company 4a-11920

Diagram 4

Premises boundary

Lot boundary

4



AMCO

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Warehouse lease 7801 Schoon St unit H & K

1. PARTIES

This warehouse Lease ("Lease"), IS dated, for reference purposes only, made by SW INVESTMENTS (Landlord) and Alaska Joint Ventures LLC, DBA Voodoo Cannabis Company (Tenant).

2. PREMISES

Landlord hereby leases to Tenant and Tenant hereby leases from Landlord, for the term, at the rental and upon all the conditions set forth herein, that certain space ("Premises"), identified as **7801 Schoon St, H and K**. The premises are approximately 950 sq. ft Premises are located in the Anchorage Recording District, Third Judicial District, State of Alaska, and are located on the real estate described in said Exhibit.

3. TERM

The Lease, dated, JUNE 1, 2020, shall commence JUNE 1, 2020, and shall continue for five years, unless sooner terminated pursuant to any provision hereof. Landlord and Tenant shall enter in agreement, in recordable form, specifying the aforesaid date of possession and the commencement date of the term hereof as soon as the same are determined. This lease may not be assigned nor may Tenant sublet any portion of Premises without prior written consent by Landlord. **(Any change in the Marijuana laws that would prohibit the sale or cultivation of marijuana would allow early termination of lease)**

OPTION. The tenant has the option to extend the lease for an additional 5 years.

3.1 OPTION TO EXTEND

Tenant has first right of renewal at market rent for another up to two years.

4. RENT

4.1 MINIMUM RENT

Tenant shall pay to Landlord, as minimum rent for premises, monthly installments as follows:

Commencing November 20, 2020 and continuing without interruption until **December 31st 2025**, rent shall be **\$1000.00** per month for each unit for the first 12 months and then increased 3% annually thereafter.

This said, monthly rent shall be payable in advance, on the first (1st) day of each month. Rent for any period which is for less than one (1) month shall be a pro-rated portion of the monthly installment. Rent shall be payable, without notice or demand and without deduction, offset, or abatement to Landlord at the address stated herein or to such other persons or at such other place as Landlord may designate in writing. Rent shall electronic deposit, mailed or delivered, in person during normal business hours, to:

4.2 LATE CHARGES

If any payment is not paid by the fifth (5th) of the month, there shall be added, as additional rent, an amount equal to ten percent (10%) of the delinquent payment for the month or portion thereof.

5. CONSTRUCTION OF IMPROVEMENTS

None.

6. ADDITIONAL CHARGES

None.

7. UTILITIES

Tenant shall pay for gas, electricity, telephone, and internet service for unit # H and K, together with any personal business property taxes. Tenant to provide snow removal and ice melt as needed for area in front of storefront (see Sec. 9.2). Landlord will provide snow plowing, sanding, and sweeping of the parking lot.

8. USE

Premises shall be used for Standard Marijuana Cultivation and cannot be used for any other purpose without the prior written consent of Landlord. No act shall be done in or about Premises that is unlawful or that will increase the rate of insurance on the Building. Tenant shall not commit, or allow to be committed, any waste upon premises or any public, private, or mixing nuisance or other act or thing which disturbs the quiet enjoyment of any other tenants in the building. Tenant shall comply with all laws relating to its use of Premises and shall observe such reasonable rules and regulations as may be adopted and published by Landlord for the safety, care, and cleanliness of not only Premises but also the Building and for the preservation of good order herein.

9. MAINTENANCE, REPAIRS, AND ALTERATIONS

9.1 LANDLORD'S OBLIGATIONS

Subject to the provisions of Article 11, and except for damage caused by the negligence or intention act or mission of Tenant or Tenant's agents, employees or invitee, Landlord, at Landlord's expense, shall keep in good order, condition, and repair the foundations and structural portions of the exterior walls and exterior roof of the building. Landlord shall provide parking lot maintenance. However, Landlord shall have no obligation to make repairs under this Section 9.1 until a reasonable time after the receipt of written notice of the need for such repairs.

9.2 TENANT'S OBLIGATIONS

Subject to the provisions of Section 9.1 and Article 12, Tenant, at Tenant's expense, shall keep in good order, condition, and repair Premises and every part thereof, including but not limited to plumbing, all drain maintenance and repairs especially in regards to grease traps, any electrical apparatus (excluding main power service), doors, window frames, heating/makeup air systems (including filters), hardware, glass, and nonstructural ceiling and non-weight bearing walls. Landlord shall be allowed access to Premises during normal business hours for the purpose of inspection to assure Premises are being properly maintained by Tenant. Tenant may not submit an invoice to the Landlord for non approved repairs.

Tenant shall, at the expiration or termination of this Lease, surrender and deliver up Premises to Landlord in as good condition as when received by Tenant from Landlord or as thereafter improved, reasonable use, wear and tear excepted. Tenant shall repair any damage to premises or the Lot occasioned by its use thereof or by the

removal of Tenant's trade fixtures, and equipment. Tenants shall be responsible for any structural damage caused by said removal.

9.3 LANDLORD'S AND TENANT'S RIGHTS

If either party fails to perform obligations under Article 9 or under Article 8, either party may (but shall not be required to) enter upon Premises after ten (10) days' prior written notice to the other party and put the same in good order, condition, and repair or otherwise cure the default, and the cost of such action plus fifteen percent (15) thereof shall become due and payable as additional rent to Landlord or rent abatement to Tenant effective and payable upon the next rental due date.

9.4 ALTERATIONS AND ADDITIONS

Tenant shall not, without Landlord's prior written consent, make any structural alterations, additions, or improvements in Premises. As a condition to giving such consent, Landlord may require Tenant remove any such alterations, improvements, additions, or utility installations at the expiration of the term and restore any structural changes within Premises, to its prior condition. Tenant shall not permit any mechanic's or material liens to be filed against Premises and shall hold Landlord harmless from any damage, loss, or expense arising out of any such work. All work on Premises shall be done in compliance with all applicable governmental codes and regulations.

At Landlord's option, all alterations, improvements, or additions which may be made on Premises shall become the property of Landlord and remain there and be surrendered with Premises at the expiration of the term. Tenant's machinery, equipment, trade fixtures, and lighting, which are affixed to Premises so that they can be removed without material damage to Premises shall remain the property of Tenant and may be removed by Tenant, subject to the provisions of Section 9.2.

10. LIABILITY INSURANCE

10.1 LIABILITY INSURANCE

Tenant shall maintain in force during the term of this Lease a policy of comprehensive public liability insurance issued by a company acceptable to Landlord and insuring Tenant and Landlord against any liability, including without limitation damage to other portions of the Building, arising out of ownership, use, occupancy, or maintenance of Premises and all areas appurtenant thereto, such insurance shall be in an amount of not less than five **hundred thousand dollars, combined single limit**. The limits of said insurance shall not, however, limit the liability of Tenant hereunder. Such policies shall name Landlord and Landlord's agents as additional insured and shall provide that they may not be canceled without thirty (30) days' prior written notice to Landlord. If Tenant shall fail to maintain said insurance, Landlord may, but shall not be required to, procure and maintain the same at the expense of Tenant.

10.2 PROPERTY INSURANCE

Landlord shall maintain in force during the term of this Lease, a policy of insurance issued by a company authorized to engage in the insurance business in the State of Alaska, insuring the Building against damage or destruction by fire and/or by perils covered by the standard form of extended coverage endorsements to fire insurance policies in the State of Alaska in effect at the time when the policies are obtained. Said insurance is not intended to substitute for Tenant's personal property insurance and Tenant shall obtain its own coverage.

10.3 WAIVER OF SUBROGATION

As long as their respective insurers so permit, Landlord and Tenant hereby mutually waive their respective rights of recovery against each other for any loss insured by fire, extended coverage and other property insurance policies existing for the benefit of the respective parties. Each party shall apply to its insurers to obtain any special endorsements, if required by its insurer, to evidence compliance with the aforementioned waiver.

10.4 HOLD HARMLESS

Tenant shall indemnify, defend, and hold Landlord harmless from and against any and all claims arising from Tenant's use of Premises or from the conduct of its business or from any activity, work, or thing which may be permitted or suffered by Tenant in or about Premises and shall further indemnify, defend, and hold Landlord harmless from and against any and all claims arising from any breach or default in the performance of any obligation on Tenant's part to be performed under the provisions of this Lease or arising from any such claim or any action or proceeding brought thereon. Tenant hereby assumes all risk of damage to property or injury to persons in or about Premises from any cause, and Tenant hereby waives all claims in respect thereof against Landlord, excepting where said damage arises solely from the intentional acts or of the negligence of Landlord.

10.5 EXEMPTION OF LANDLORD FROM LIABILITY

Landlord shall not be liable for injury to Tenant's business or any loss of income there from or for damage to the goods, wares, merchandise, or other property of Tenant, Tenant's employees, invitees, customers, or any other person in or about Premises; nor, unless caused solely by its negligence, shall Landlord be liable for personal injury to Tenant or Tenant's employees, agents, contractors, and invitees, whether said damage or injury results from conditions arising upon Premises or upon other portions of the Building of which Premises are a part or from other sources or places, and regardless of whether the cause of such damages arising from any act or neglect of any other tenant of the Building in which Premises are located.

11. DAMAGE OR DESTRUCTION

In the event Premises are damaged to such an extent as to render the same untenable in whole or in a substantial part thereof or are destroyed, it shall be optional with Landlord to repair or rebuild the same; and after the happening of any such event, Tenant shall give Landlord's agent immediate written notice thereof. Landlord shall not have more than thirty (30) days after date of such notification to notify Tenant in writing of Landlord's intentions to repair or rebuild said Premises or the part so damaged as aforesaid, and if Landlord elects to repair or rebuild Premises, Landlord shall prosecute the work of such repairing or rebuilding without unnecessary delay, and during such period the rent of Premises shall be abated in the same ratio that portion of Premises is rendered for the time being, unfit for occupancy shall bear the whole of Premises. If Landlord shall fail to give notice aforesaid, Tenant shall have the right to declare this Lease terminated by written notice served upon Landlord.

In the event the Building in which Premises are located shall be damaged (even though Premises hereby leased shall not be damaged thereby) to such extent that, in the opinion of Landlord, it shall not be practicable to repair or rebuild, or it is destroyed, then it shall be the option of the Landlord to terminate this Lease by written notice served on Tenant within thirty (30) days after such damage or destruction.

12. ADVERTISING AND WINDOWS

Tenant can provide, at Tenant's expense, an illuminated sign on the front of Premises identifying Tenant, the said sign to be in accordance with standard criteria provided by Landlord and subject to approval by Landlord. Except for the foregoing, Tenant shall not inscribe any notice, picture, placard, or poster, or any advertising matter whatsoever anywhere in or about Premises or the Building places without Landlord's written consent thereto. Any such consent by Landlord shall be upon the understanding and condition that Tenant will remove the same at the

expiration or sooner termination of this Lease and that Tenant shall repair any damage to Premises or the Building caused thereby. Tenant shall use window coverings that conform to standards set by Landlord.

The Tenant is allowed ONE sign for the unit on the building above door.

13. PERSONAL PROPERTY TAXES

Tenant shall pay or cause to be paid before delinquency any and all taxes levied or assessed, and which become payable during the term thereof upon all Tenant's leasehold improvements, equipment, furniture, fixtures and any other personal property located in Premises. In the event any or all of Tenant's leasehold improvements, equipment, furniture, fixtures, and other personal property shall be assessed and taxed with the real property, Tenant shall pay to Landlord its share of such taxes within ten (10) days after delivery to Tenant by Landlord of a statement in writing setting forth the amount of such taxes applicable to Tenant's property.

14. RULE AND REGULATIONS

Tenant shall faithfully observe and comply with the rules and regulations that Landlord shall from time to time promulgate and/or modify. The rules and regulations shall be binding upon Tenant upon delivery of a copy of them to Tenant. Landlord shall not be responsible to Tenant for the nonperformance of any of said rules and regulations by any other Tenants or occupants.

15. LIENS AND INSOLVENCY

Tenant shall keep Premises and the Building free from any liens arising out of any work performed, materials ordered, or obligations incurred by Tenant. If Tenant becomes insolvent or voluntarily or involuntarily bankrupt or if a receiver, assignee, or other liquidating officer is appointed for the business of Tenant and if the receivership, assignment, or other such liquidating action is not terminated within thirty (30) days of any such appointment, then Landlord may terminate this lease and Tenant's right of possession under this Lease, at Landlord's option. Tenant shall have no authority, express or implied to create or place any lien or encumbrance of any kind or nature whatsoever upon, or in any manner to bind, interest of Landlord in Premises or to charge the rental payable hereunder for any claim in favor of any person dealing with Tenant, including those repairs, and each such claim shall affect and each such lien shall attach to, if at all, only the leasehold interest granted to Tenant by this instrument.

16. DEFAULTS

The occurrence of anyone or more of the following events shall constitute a default and breach of this Lease by applicable party:

16.1 VACATION OF PREMISES

The vacating or abandonment of Premises by Tenant;

16.2 FAILURE TO PROVIDE RENT

The failure by Tenant to provide rent as described in Section 4.1 or any other payment required to be made by Tenant hereunder as and when due, where such failure shall continue for a period often (10) days after written notice thereof by Landlord to Tenant;

16.3 FAILURE TO PERFORM COVENANTS

The failure by Tenant to observe or perform any of the covenants, conditions, or provisions of this Lease to be observed or performed by Tenant, other than described on Section 16.2 above, where such failure shall continue for a period often (10) days after written notice thereof by Landlord to Tenant; provided, however, that if the nature of Tenant's default is such that more than ten (10) days are reasonably required for its cure, then Tenant shall not be deemed to be in default if Tenant commences such cure within said ten (10) day period and thereafter diligently prosecutes such cure to completion; and

16.4 DEFAULTS BY LANDLORD

This may include failure by Landlord to perform maintenance, snow removal, or any other obligations under the terms of the Lease.

17. REMEDIES IN DEFAULT

In the event of any such default or breach by Tenant, Landlord may, at any time thereafter, in its sole discretion, 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:

17.1 TERMINATION

Terminate Tenant's right to possession of Premises by any lawful means, in which case this Lease shall terminate and Tenant shall immediately surrender possession of Premises to Landlord. In such event, Landlord shall be entitled to recover from Tenant all damages incurred by Landlord by reason of Tenant's default, including but not limited to the cost of recovering possession of Premises; expenses of releasing, including necessary renovation and alteration and alteration of Premises; reasonable attorneys' fees; the worth at the time of award by the court having jurisdiction thereof of the amount by which the unpaid rent and other charges and Additional Charges called for herein or allowed by law for the balance of the 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 apportion of any leasing commission paid by Landlord and applicable to the unexpired term of this Lease. Unpaid installments of rent or other sums bear interest from the date due at the maximum legal rate;

17.2 ENFORCE RIGHTS

Maintain Tenant's right to possession, in which case this Lease shall continue in effect whether or not Tenant shall continue in effect whether or not Tenant shall have abandoned Premises. In such event, Landlord shall be entitled to enforce all of Landlord's rights and remedies under this Lease, including the right to recover the rent and any other charges and Additional Charges as may become due hereunder; or

17.3 OTHER REMEDIES

Pursue any other remedy now or hereafter available to Landlord under the laws or judicial decisions of the state in which Premises are located.

18. PRIORITY

Tenant agrees that this Lease shall be subordinate to any mortgages or deeds of trust now or at anytime hereafter constituting a lien upon Premises or the Building containing the same, to any and all advances to be made there under, and to the interest thereon, and to all renewals, replacements, and extensions thereof, provided that the mortgages or deeds of trust shall agree to recognize this Lease in the event of foreclosure if Tenant is not in default hereunder and if Tenant attorneys to the mortgagee. Within five (5) days after written request from

Landlord, Tenant shall execute any documents that may be necessary or desirable to effectuate the subordination of this Lease to any such mortgages or deeds of trust and shall execute estoppels certificates as requested by Landlord from time to time in the standard form of any such mortgagee or beneficiary.

19. CONDEMNATION

If all of Premises or any portion of the Building as may be required for the reasonable use of Premises shall be taken by eminent domain (or by a voluntary conveyance made in lieu of taking by eminent domain), this Lease shall automatically terminate as of the date Tenant is required to vacate or will be deprived of the reasonable use of Premises, and all rentals shall be paid to that date. In the case of taking of a part of Premises, Tenant may, at its election, terminate this Lease by notice in writing to Landlord within ten (10) days after the receipt by Tenant of written notice of the proposed taking, and with any such notice by Tenant to Landlord to be effective on a date which shall be specified by Tenant in the notice but shall be no later than thirty (30) days after the date of the giving of notice. If within said thirty (30) day period, Tenant does not exercise its right to terminate this Lease because of a taking of a part of Premises, this Lease shall continue in full force and effect, and the rental shall be equitably reduced based on the proportion by which the floor area of Premises is reduced, such rent reduction to be effective as of the date when possession of such portion is delivered to condemning authority. Landlord reserves all rights to damages to premises for any taking by eminent domain, and Tenant hereby assigns to Landlord any right Tenant may have to such damages or award, and Tenant shall make no claim against Landlord for damages for termination of the lease hold interest or for interference with Tenant's business. Tenant shall have the right, however, to claim, and recover from the condemning authority compensation for any loss to which Tenant may be put for Tenant's moving expenses and of the interruption of or damage to Tenant's business; provided that such damages may be claimed only if they are awarded separately in the eminent domain proceeding and not as part of the damages recoverable by Landlord.

20. PARKING AND COMMON AREAS

20.1 LANDLORD'S OBLIGATIONS AND RIGHTS

Landlord covenants that there shall be a common parking area for the nonexclusive use of Tenant during the full term of this Lease; provided that the condemnation or other taking by any public authority or sale in lieu of condemnation of any or all of such common and parking areas shall not constitute a violation of this covenant.

Tenant shall hold Landlord harmless, defend and indemnify Landlord from any liability based on Tenant parking equipment on Premises. Landlord is not responsible or liable for damage to Tenant's equipment parked on Premises. Notwithstanding anything herein contained to the contrary, Landlord shall be entitled to alter the Building services or facilities and the location of driveways, sidewalks, or other common areas and to extend existing buildings or erect new buildings or extend existing building above Premises or other rentable Premises or common areas of the Shopping Center or add new common areas to or on the Shopping Center; and upon any alteration of the common areas or upon commencement of construction of any addition or additions to the Shopping Center and upon any addition of the new common areas, Landlord and Tenant shall execute such further and other documents as may be required to reflect such alterations of the common areas to exclude areas taken for construction of additional buildings or to include areas added as new common areas, as the case may be. If said parking is adversely altered due to Landlord's change or structural alteration of building or premises which increases square footage, Tenant may terminate this Lease at its sole option.

20.2 TENANT'S OBLIGATIONS AND RIGHTS

Tenant, for the use and benefit of itself and its agents, employees, customer, and licensees shall have the nonexclusive right in common with Landlord and other present and future owners and Tenants and their agents, employees, customers, and licensees to use said common and parking areas during the entire term of this Lease for ingress, egress, and automobile parking. Notwithstanding the foregoing,

Landlord shall have the right to require Tenant and Tenant's employees to park in a designated area in the parking lot during peak business times, such as the Christmas season or similar times when the common parking areas may be subject to maximum use by customers of the stores in the Shopping Center. **Tenant shall, at its own expense, be responsible for removal of trash accumulated in the parking area as a direct result of its business operation.**

20.3 RULES AND REGULATIONS

Tenant, in the use of said common and parking areas, agrees to comply with such reasonable rules, regulations and charges for parking as Landlord may adopt from time to time for the orderly and proper operation of said common and parking areas. Such rules may include but shall not be limited to the following: (1) the restricting of employee parking to a limited, designated area or areas; and (2) the regulation of the removal, storage and disposal of Tenant's refuse and other rubbish.

21. NONWAIVER

Waiver by Landlord of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term covenant or condition herein contained the subsequent acceptance of rent hereunder by Landlord shall not be deemed to be a waiver of any preceding breach by Tenant of any term, covenant, or condition of this Lease, other than the failure of Tenant to pay the particular rental so accepted, regardless of Landlord's knowledge of such preceding breach at the time of acceptance of such rent.

22. SURRENDER OF POSSESSION

Upon expiration of the term of this Lease, whether by lapse of time or otherwise, Tenant shall promptly and peacefully surrender Premises to Landlord. **The Landlord agrees to promptly notify The Alaska Marijuana Control Board (AMCO) of the termination of this lease and further agrees NOT to take possession or remove marijuana or marijuana containing products at any time and for any reason.**

23. HOLDING OVER

If Tenant shall without the written consent of Landlord hold over after the expiration of this Lease, such tenancy shall be for an indefinite period of time on a month-to-month tenancy, which tenancy may be terminated as provided by the laws of the State of Alaska. During such tenancy, Tenant agrees to pay Landlord rent at the existing rate as set forth herein, unless a different rate shall be agreed upon, and to be bound by all of the terms, covenants, and conditions herein specified, so far as applicable. Should agreement not be reached, Tenant shall vacate Premises upon thirty (30) day's notice by Landlord.

24. ASSIGNMENT OR SUBLETTING

Tenant shall not be allowed to assign this Lease or sublet the whole or any part of Premises to any person or entity, without the written consent of Landlord and such consent shall not be unreasonably withheld. As used herein, the term "Assignment" includes without limitation transfers to a subsidiary of affiliated entity, the restructuring of a limited partnership, transfer of interest by or between Individual partners if Tenant is a corporation, and any assignment in connection with any corporate merger or consolidation.

25. NOTICES

All notices under this Lease shall be in writing and delivered in person or sent by registered or certified mail, return receipt requested, to Landlord at P.O. Box 112191 Anchorage, AK. 99511 and to Tenant at Premises of _____ or to such other respective address as may hereafter be designated by either party in writing. Notices mailed as aforesaid shall be deemed given on the date of such mailing.

26. COSTS AND ATTORNEY'S FEES

If by reason or any default on the part of either party, it becomes necessary for either party to employ an attorney, or in case either party shall bring suit to recover any rent due hereunder or for breach of any provision of this Lease or to recover possession of Premises, or if either party shall bring an action for any relief against other possession of Premises, or if either party shall bring an action for any relief against other party, declaratory or otherwise, arising out of this Lease, and either party shall prevail in such action, then and in any such events, then prevailing party shall be entitled to reasonable attorneys' fees and all costs and expenses expended or incurred in connection with such default of action.

27. LANDLORD'S ACCESS

Landlord and its agents shall have the right to enter Premises at reasonable times for the purpose of inspecting it, showing it to prospective purchasers or lenders and making such repairs as Landlord may deem necessary or desirable. **The Landlord agrees to abide by all the Alaska State Marijuana Laws at all times in regard to access to property. The landlord agrees never to enter the property unless escorted by the tenant or an authorized employee of the tenant.** Landlord may, during the last ninety (90) days of the term of this Lease, place on or about Premises any ordinary "For Sale or Lease" signs, without rebate of rent or liability to Tenant.

28. CAPTIONS AND CONSTRUCTION

The titles to the sections to this Lease are not a part of this Lease and shall have no effect upon the construction or interpretation of any part hereof.

29. REMOVAL OF PROPERTY

If Tenant shall fail to remove any of its personal property and or trade fixtures of any nature whatsoever from Premises or Shopping Center at the termination of this Lease or when Landlord has the right of reentry, Landlord may, at its option, remove and store said property without liability for loss thereof or damage thereto, such storage to be for the account and at the expense of Tenant. If Tenant shall not pay the cost of storing any such property after it has been stored for a period often (10) days or more, Landlord may, at its option, sell or permit to be sold any or all of such property at public or private sale, in such manner and at such times and places as Landlord in its sole discretion may deem proper, without notice to Tenant, and shall apply the proceeds of such sales as follows:

1. First, to the cost and expense of such sale, including reasonable attorneys fees actually incurred;
2. To the payment of the costs or charges for storing any such property; and then:
3. To the payment of any other sums of money which may then be or therefore become due Landlord from Tenant under any of the terms hereof; and then
4. The remaining balance, if any, to Tenant.

30. SUCCESSORS

All of the covenants, agreements, terms and conditions contained in this Lease shall apply to and be binding upon Landlord and Tenant and their respective heirs, executors, administrators, successors, and assigns, except as expressly limited herein.

31. ACCEPTANCE OF PREMISES

Tenant shall accept Premises "as is" at the commencement of the term of this Lease and in their then present condition and subject to all applicable zoning, municipal, county, borough, and state laws, ordinances, and regulations governing and regulating the use of Premises and accept this Lease subject thereto and all matters disclosed thereby and by any exhibits attached hereto. Tenant acknowledges that neither Landlord nor Landlord's agents have made any representation or warranty as to the suitability of Premises for the conduct of Tenant's business.

32. SALE OF PREMISES BY LANDLORD

In the event of any sale of Premises by Landlord, Landlord shall be and hereby is entirely freed and relieved of all liability under any and all of its covenants and obligations contained in or derived from this Lease; arising out of any and all of its covenants and obligations contained in or derived from this Lease; or arising out of any act, occurrence or omission occurring after the consummation of such sale. Any purchase of Premises shall be deemed, without any further agreement between the parties or their successors in interest or between the parties and any such purchaser, to have assumed and agreed to carry out any and all of the covenants and obligations of Landlord under this Lease. Sale and transfer of Tenant's business, is address in Paragraph 25.

33. TENANT'S STATEMENT

Tenant shall, at any time and from time to time, upon not less than five (5) days' prior written notice from Landlord, execute, acknowledge and deliver to Landlord a statement in writing: (a) certifying that this Lease is unmodified and in full force and effect (or, if modified, stating the nature of such modification and certifying that this Lease as so modified is in full force and effect) and the date to which the rental and other charges are paid in advance, if any; (b) acknowledging that there are not, to Tenant's knowledge, any uncured defaults, if none are claimed; and (c) setting for the date of commencement of rents and expiration of the term hereof. The prospective purchaser or encumbrance of all or any portion of the real property of which Premises are a part may rely upon any such statement.

34. ENTIRE AGREEMENT

This Lease sets for the entire understanding and agreement of Landlord and Tenant with respect to Premises and the Lease thereof, and all prior understandings or agreements are merged herein. This Lease may be amended or modified only in writing signed by both parties.

35. BROKERS COMMISSION

None.

36. RECORDING

Tenant shall not record this Lease without prior written consent of Landlord. However, upon request of either party, both parties shall execute a memorandum or "short form" of this Lease for the purposes of recordation in a form customarily used for such purposes. Said memorandum or short form of this Lease shall describe the parties, Premises, Lease term, and shall incorporate this lease by reference.

37. LEASE NOT AN OFFER

The submission of this Lease to Tenant shall not be construed as an offer, nor shall Tenant have any rights with respect thereto unless and until Landlord executes a copy of this Lease and delivers the same to Tenant.

38. HAZARDOUS SUBSTANCE DISCLOSURE

Tenant shall promptly disclose to Landlord, in writing, if Tenant knows, or has reasonable cause to believe, that any toxic, dangerous, or hazardous substance, as those terms are defined under Federal, State, or Local law, has come to be located in, on, about, over, or beneath its premises. In addition, Tenant shall execute a written statement to Landlord no later than thirty (30) days after the end of each lease year describing in detail any and all toxic, dangerous, or hazardous substance (as those terms are defined under Federal, State, or Local law) which Tenant knows, or has reasonable cause to believe, have come to be located in, on, about, over, or beneath its premises, or that there are not toxic, dangerous, or hazardous substances in, on, about, over, or beneath Premises. Tenant agrees to defend, indemnify and hold Landlord harmless for any contamination from hazardous wastes or hazardous substances resulting from Tenant's activities, including but not limited to, the reasonable actual costs of consultants, attorney's fees, laboratory testing charges, and claims for bodily injury and death. Landlord shall have the right, from time to time, during Tenant's normal business hours, after prior reasonable notice to Tenant, to conduct periodic monitoring test of Premises to ascertain the presence of hazardous wastes or hazardous substances. Any such entry shall be subject to Tenant's security requirements. Tenant shall have the right to accompany Landlord at all times Landlord is in Premises. Landlord shall not interfere with Tenant's use or occupancy of Premises in the event Landlord enters Premises pursuant to this Section. Tenant shall promptly notify Landlord of all hazardous substances spills, of all inspections by governmental authorities, and of any fines or penalties imposed against Tenant and penalties assessed or imposed as a result of any hazardous waste or hazardous substance spills.

39. FORUM SELECTION

This Lease shall be construed in accordance with the laws of the State of Alaska. Should any legal proceeding be necessary under this Lease, the same shall be commenced in the Superior Court for the State of Alaska, Third Judicial District at Anchorage, Alaska. Tenant agrees specifically that venue and jurisdiction in that Court are proper, and further agrees to submit themselves to the jurisdiction of that court. Tenants shall not claim that said forum is an inconvenient forum.

40. ARBITRATION

Any arbitration proceedings shall be conducted in accordance with the Alaska Statutes governing arbitration.

41. CONSTRUCTION

The parties hereto have negotiated this agreement in good faith, and each party has had the right to consult counsel of their own choosing, and has either consulted with such attorney, or has made an informed decision not to consult with an attorney, and each party believes that they fully understand their rights hereunder. Therefore, the parties agree that the rule of construction that a contract may be construed against the party who caused the agreement to be drafted shall not apply to this agreement or any modifications hereto.

