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SUBLEASE AGREEMENT

This Sublease Agreement ("Sublease") is dated October 20, 2023 (the "Effective Date") by and between Irene, LLC (hereinafter referred to as "Sublessor"), and Francis, LLC dba BoomTown Buds (hereinafter referred to as "Sublessee") (each a "Party" and collectively the "Parties").

Sublessor leases real property from JAM, LLC ("Lessor"), the address of which is 200 4th Ave., Suite B, Skagway, Alaska 99840 ("Leased Premises"), under the terms and conditions of that certain Commercial Lease Agreement dated October 20, 2023 ("Master Lease").

Sublessor and Sublessee desire to enter into a sublease for the Leased Premises subject to the terms and conditions of the Master Lease and hereby agree as follows:

1. **SUBLEASE INCORPORATES MASTER LEASE.** Sublessor, in consideration of the lease payments provided in this Sublease, and other good and valuable consideration, leases to Sublessee the Leased Premises identified in the Master Lease. The provisions of the Master Lease are incorporated into this Sublease as the agreement of Sublessor and Sublessee, as though Sublessor was Lessor under the Master Lease and Sublessee was Lessee under the Master Lease.

2. **TERM.** The term of this Sublease will begin on the Effective Date and end on October 20, 2026.

3. **RENT PAYMENTS.** Sublessee shall pay Sublessor as Rent for the Leased Premises all amounts due to Lessor under the Master Lease in advance, without notice, demand, offset, or counterclaim, on or before the first day of each month. Rent will be paid at Sublessor's address.

4. **UTILITIES:** Sublessee shall be responsible for all utilities, as specified in the Master Lease.

5. **INDEMNIFICATION.** Sublessee agrees to indemnify, hold harmless, and defend Sublessor and/or Lessor from and against any and all losses, claims, liabilities, and expenses, including reasonable attorney fees, if any, which Sublessor or Lessor may suffer or incur in connection with Sublessee's possession, use or misuse of the Premises, or arising out of any default under the Master Lease caused by Sublessee, except Sublessor and/or Lessor acts or negligence.

6. **POSSESSION**. Sublessee shall be entitled to possession on the first day of the term of this Sublease and shall yield possession to Sublessor on the last day of the term of this Sublease, unless otherwise agreed by both parties in writing.

7. **USE OF PREMISES**. Sublessee may use the Premises for the licensed retail sale of marijuana, and in compliance with all applicable terms and conditions of the Master Lease. The Premises may be used for any other purpose only with the prior written

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consent of Sublessor and Lessor.

8. **REMODELING OR STRUCTURAL IMPROVEMENTS.** Sublessee may not make any changes, additions, alterations, or improvements to the Premises without consent of Lessor and Sublessor.

9. **ACCESS BY SUBLESSOR AND LESSOR TO PREMISES.** Sublessor acknowledges that, because the Premises is being utilized by Lessee as a licensed marijuana establishment, applicable laws and regulations require that a Sublessee representative be present to serve as an escort to Lessor and Lessor's agents during any entry and that Sublessor will comply with Sublessee's visitor policies. If Sublessee is not personally present to permit entry, cannot be reached, or does not provide access, and an entry is necessary or permissible, Sublessor shall contact the State of Alaska Alcohol and Marijuana Control Office (AMCO), or other relevant government authority prior to any access of the Premises.

10. **POSSESSION OF MARIJUANA IN THE EVENT DEFAULT.** In the event of a default, Sublessor shall not take into its possession any marijuana or marijuana product and shall contact the State of Alaska AMCO prior to any access to the license premises if Sublessee cannot be reached, abandons the property, or similar event.

11. **NOTICE.** Notices under this Sublease shall not be deemed valid unless given or served in writing and forwarded by mail, postage prepaid, addressed as follows:

    SUBLESSOR: PO BOX 946, Skagway, AK 99840

    SUBLESSEE: PO BOX 946, Skagway, AK 99840

    Such addresses may be changed from time to time by either party by providing notice as set forth above. Notices mailed in accordance with the above provisions shall be deemed received on the third day after posting.

12. **GOVERNING LAW.** This Sublease shall be construed in accordance with the laws of the State of Alaska.

13. **ENTIRE AGREEMENT/AMENDMENT.** This Sublease Agreement contains the entire agreement of the parties and there are no other promises, conditions, understandings or other agreements, whether oral or written, relating to the subject matter of this Sublease. This Sublease may be modified or amended in writing, if the writing is signed by the party obligated under the amendment.

14. **WAIVER.** The failure of either party to enforce any provisions of this Sublease shall not be construed as a waiver or limitation of that party's right to subsequently enforce and compel strict compliance with every provision of this Sublease.

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Sublessor and Sublessee agree to the terms of this Sublease as of the Effective Date.

SUBLESSOR:

IRENE, LLC

By: _____

Dylan Healy
Its: Member

By: _____

Michael Healy
Its: Member

SUBLESSEE:

FRANCIS, LLC

By: _____

Dylan Healy
Its: Member

By: _____

Michael Healy
Its: Member

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COMMERCIAL LEASE AGREEMENT

This COMMERCIAL LEASE AGREEMENT (the "Lease") goes into effect the 20th Day of October, 2023 ("Effective Date"), by and between JAM, LLC("Lessor"), whose address is PO Box 946 Skagway, AK 99840 and IRENE, LLC an Alaska Limited Liability Company ("Lessee"), whose address is PO Box 946 Skagway, AK 99840.

RECITALS

WHEREAS, Lessor is the owner of the real property located at 200 4th Ave., Skagway, Alaska 99840 (the "Premises" or the "Leased Premises"); and

WHEREAS, Lessee desires to lease the Premises from Lessor to operate a retail marijuana store and the related purposes provided for in this Lease.

NOW, THEREFORE, in consideration of the Recitals (which are incorporated into the Lease), the mutual covenants and conditions contained in this Lease, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Lessor and Lessee hereby agree as follows:

1. PREMISES. Lessor, for and in consideration of the rents, covenants and conditions hereinafter specified to be paid, performed and observed by Lessee, does hereby lease to Lessee, and Lessee does hereby lease from Lessor, the property described as follows: 200 4th Ave. Suite B, Skagway, Alaska, 99840 (the "Premises" or the "Leased Premises.")

2. TERM. This Lease shall commence on the Effective Date and end on the 20th day of October, 2026 (the "Initial Term").

3. LEASE RENEWAL. The Lease will be automatically renewed for a three (3) year renewal period unless written notice of non-renewal is provided by Lessee or Lessor at least two (2) months prior to the expiration of the Initial Term or the expiration of any renewal period.

4. RENT. Beginning on or before January 1, 2024, and continuing on or before the first day of each calendar month thereafter, Lessee shall pay Lessor rent in the amount of $4,584 per month ("Base Rent"). Base Rent shall be paid at the address set forth in Section 6 of this Lease, or such other place as Lessor may designate in writing from time to time. All Base Rent shall be paid without prior demand or notice and without any deduction or offset whatsoever.

5. USE. The Premises shall be used for a retail marijuana store and for necessary related uses, unless otherwise agreed to in writing by Landlord and Tenant. Landlord's consent to alternate uses shall not be unreasonably withheld.

6. PAYMENTS. Lessee agrees to make all payments of Base Rent or any other payment owed to Lessor at Lessor's preferred mailing address.

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7. UTILITIES. Lessee shall be responsible for all utilities used or consumed for its benefit at the Leased Premises, except as specified herein. Lessee shall provide its own security, janitorial services, Internet, and waste removal or treatment.

8. TAXES. Lessor will pay to the appropriate governmental body all real property taxes and assessments. Lessee shall pay prior to delinquency all personal property taxes assessed against or levied on trade fixtures, furnishings, equipment and all other personal property in or on the premises owned by Lessee. Lessee shall request of the appropriate authorities that trade fixtures, furnishings, equipment and all other personal property be assessed and billed separately from the real property. In the event that any taxing authority imposes a tax or surcharge or the like on rent, Lessee shall pay said tax.

9. INSURANCE. Lessee is hereby advised and understands that the personal property of the Lessee is not insured by the Lessor for either damage or loss, and the Lessor assumes no liability for any such loss. The Lessee is advised that, if insurance coverage is desired by the Lessee, the Lessee should inquire of Lessee's insurance agent regarding a Lessee's policy of insurance.

10. ASSIGNMENT/SUBLEASE. Lessee may sublease the Leased Premises to Francis, LLC dba BoomTown Buds for use as a retail marijuana store without further consent from Lessor. Under no other circumstances shall Lessee assign, transfer, sublease, or in any other way dispose of an interest in or right under this Lease without the express written consent of Lessor, which shall not be unreasonably withheld.

11. ALTERATIONS. Lessee shall not alter, repair or decorate the Premises without written consent from Lessor, which shall not be unreasonably withheld. All alterations, repairs, and decorations must comply with federal, state, and local law and any conditions imposed by Lessor. Lessee shall pay all Lessee improvement and alteration costs.

12. MAINTENANCE AND REPAIR. Lessee shall at its own expense, maintain the Premises in a good state of repair at all times during the term of the Lease; this includes, but is not limited to: interior and exterior glass, fluorescent lighting (including ballasts), carpeting, painted surfaces, doors and locking mechanisms. Lessee shall keep any walkways abutting the Premises free and clean of obstructions including snow, slippery ice, debris and dust.

Lessor shall be responsible for maintenance and repairs of the roof, foundation, exterior walls and all common areas unless the damage is due to the negligence of Lessee, its agents, and employees. Lessee shall keep the Premises parking area (if any) free from snow, debris and dust.

13. SURRENDER OF PREMISES. At the expiration or sooner termination of this Lease, Lessee shall return the Premises to the Lessor in good and clean condition, reasonable wear and tear and damage by fire caused by Lessee or unavoidable casualty for which the Premises has insurance coverage excepted. If Lessee made alterations,

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additions or improvements, Lessee shall, at its own expense, remove all alterations, additions or improvements at the termination of the Lease, unless Lessor provides otherwise in writing. Lessee shall pay for or repair any damages to the Premises caused by such removal. Upon removal of trade fixtures, appliances and equipment that are not attached to the Premises, Lessee shall restore the Premises to the same condition it was in prior to the installation of such fixtures, appliances, and equipment. Any trade fixtures, appliances, equipment or other property not removed from the Premises by Lessee upon termination of the Lease shall be deemed abandoned by Lessee, provided that Lessee shall save and hold Lessor harmless from any liability, loss, cost, or damage arising from Lessee's failure to remove such items.

14. HOLDOVER. Lessee's holdover beyond the expiration of the Lease Term of Lease is prohibited. However, failure to vacate Premises at expiration of the Lease shall constitute a tenancy from month-to-month on the same terms and conditions set forth in this Lease, with month-to-month base rent equal to 125% of the base rent of the last year of the term

15. INDEMNIFICATION. All personal property on Premises owned or in the care or the control of Lessee shall be at the risk of Lessee. Lessor shall not be liable for any injury or death to any person or for any loss or damage to any property or for any other loss or damage on or about Premises from any cause whatsoever. Lessee assumes liability for and agrees to indemnify, save and hold Lessor harmless from any and all claims arising out of its use of the Premises, and any operations necessary or incidental thereto, including claims for damage, death or injury to any person, persons or property arising from any act or omission of, or the use, possession or occupancy of the Premises by Lessee, its officers, employees, agents, invitees, visitors or other persons. Lessee's obligation of indemnification shall extend to and encompass costs and all attorneys' fees associated with the defense of any such claim or action. Lessee's indemnification shall survive the termination of this Lease. Lessee's liability shall not be limited to the amount of insurance coverage available under any existing policies.

16. DEFAULT. The occurrence of any of the following shall constitute a default by Lessee:

A. Failure to Pay Rent. The failure to make payment when due of any installment of the monthly base rent or of any other sum herein specified to be paid by Lessee, if such default shall not be cured within five (5) days after written notice has been given to Lessee, shall be a default.

B. Failure to Perform Covenants. The failure to observe or perform any of Lessee's covenants, agreements, or obligations hereunder, other than for the payment of rent, if any such default shall not be cured within ten (10) days after written notice has been given to Lessee, shall be a default.

17. LESSOR'S REMEDIES ON DEFAULT. In the event of a default under Section 18, Lessor shall have the following remedies in addition to all other rights and

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remedies allowable by law or equity, to which Lessor, in its sole and absolute discretion, may resort cumulatively or in the alternative.

A. Recovery of Rent. Lessor shall be entitled, at Lessor's election, to each installment of rent or to any combination of installments for any period before termination, plus interest, and late charges.

B. Damages. Lessor shall be entitled at Lessor's election, to damages in an amount that would have fallen due as rent between the time of termination of this Lease and the time of the claim, judgment or other award, less the avails of all relettings and attornments, plus interest, late charges, and costs of collection, including attorneys' fees.

C. Compensation for Repair. Lessor may, at Lessor's election, require Lessee to reimburse Lessor for all damages to the Leased Premises or the building due to Lessee's business, activities, or absence.

18. VACATION AND STORAGE. If Lessee shall fail to remove any of its property of any nature whatsoever from the Premises or the Building at the termination of this Lease or after notice to quit, or when Lessor has the right of reentry, Lessor 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 Lessee. If Lessee shall not pay the cost of storing any such property after it has been stored for a period of thirty (30) days or more, Lessor 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 Lessor in its sole discretion may deem proper, without notice to Lessee, and shall apply the proceeds of such sale as follows: first, to the cost and expense of such sale, including reasonable attorneys' fees actually incurred; second, to the payment of any other money which may then be or thereafter become due Lessor from Lessee under any terms of this Lease; and the balance, if any, to Lessee.

Any marijuana, as defined by AS 17.38, left on the premises will be considered forfeited by Lessee. Under no circumstances shall Lessor take possession of any such marijuana. In case of such event, Lessor shall contact the State of Alaska Alcohol and Marijuana Control Office, or other appropriate authority, for instructions regarding removal of the marijuana. Lessor shall then, without liability for loss thereof or damage thereto, transfer the marijuana to state or local law enforcement authorities or otherwise dispose or the marijuana pursuant to instructions from the relevant authority.

19. DAMAGE BY FIRE

A. Fire Unrelated to Lessee's Use of Premises. In the event the Premises is destroyed or damaged by a fire and that fire is not caused by or in any way related to Lessee's operation, use or lease of the Premises, Lessee or Lessor may terminate the Lease. In the event both parties elect not to terminate the Lease, the rent shall be abated until such time as the Premises is again fit for occupancy.

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B. Fire Related to Lessee's Use of Premises. Lessor may immediately terminate the Lease in the event the Premises is destroyed or damaged by a fire that is caused or related to Lessee's operation, use or lease of the Premises.

C. No Waiver of Liability. Nothing in this section shall be construed to release Lessee from liability, under the Lease or otherwise, in the event loss or damage by fire is caused by acts or omissions or arising from acts or omissions by Lessee, their agents, employees, representatives, or patrons.

20. STATE AND FEDERAL MARIJUANA LAW.

A. Amendments to the Lease. The parties agree to make any amendments to the Lease that are reasonably necessary to avoid failing to satisfy the requirements of state or federal guidelines regarding marijuana enforcement, as those guidelines and laws may be amended from time to time.

21. MECHANIC'S LIEN. Neither the Lessee nor anyone claiming through the Lessee shall have the right to file mechanics liens or any other kind of lien on the Premises, shall take no action and permit no act to be done that will cause any lien to be placed against the Premises or any other property owned by Lessor, and the filing of this Lease constitutes notice that such liens are invalid. Further, Lessee agrees to (1) give actual advance notice to any contractors, subcontractors or suppliers of goods, labor, or services that such liens will not be valid, and (2) take whatever additional steps necessary in order to keep the premises free of all liens resulting from construction done by or for the Lessor.

22. ACCESS BY LESSOR TO PREMISES. Subject to Lessee's consent (which shall not be unreasonably withheld), Lessor shall have the right to enter the Premises to make inspections, provide necessary services, or show the unit to prospective buyers, mortgagees, Lessees or workers. However, Lessor does not assume any liability for the care or supervision of the Premises. As provided by law, in the case of an emergency, Lessor may enter the Premises without Lessee's consent. During the last three months of this Lease, or any extension of this Lease, Lessor shall be allowed to display the usual "To Let" signs and show the Premises to prospective Lessees.

Lessor acknowledges that, because the Premises is being utilized by Lessee as a licensed marijuana establishment, applicable laws and regulations require that a Lessee representative be present to serve as an escort to Lessor and Lessor's agents during any entry and that Lessor will comply with Lessee's visitor policies. If Lessee is not personally present to permit entry, cannot be reached, or does not provide access, and an entry is necessary or permissible, Lessor shall contact the State of Alaska Alcohol and Marijuana Control Office, or other relevant government authority prior to any access of the Premises. Acting under guidance and direction received therefrom, Lessor may enter the same by master key or may forcibly enter the same, without rendering Lessor liable therefore. Nothing contained herein shall be construed to impose upon Lessor any duty of repair of the building except as specifically provide for herein.

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23. WAIVER

A. No acceptance by the Lessor of any amount less than the full amount owed for Base Rent will be taken to operate as a waiver by the Lessor for the full amount of Base Rent due, or in any way to defeat or affect the rights and remedies of the Lessor to pursue the full amount of Base Rent owed.

B. Any waiver by the Lessor of any failure by the Lessee to perform or observe the provisions of this Lease will not operate as a waiver of the Lessor's rights under this Lease in respect of any subsequent defaults, breaches or nonperformance and will not defeat or affect in any way the Lessor's rights in respect of any subsequent default or breach.

24. CONSTRUCTION OF AGREEMENT. The rule of construction that an instrument shall be construed more strictly against the party who drafted the same shall not apply to this Lease since both parties have had legal counsel available or have had the opportunity to seek independent advice and Lessee's activities require the provisions of this Lease to be interpreted in favor of Lessor.

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

26. AMENDMENTS. All amendments to this Lease shall be in writing and subscribed to by the parties hereto.

27. ENTIRE AGREEMENT. This Lease contains the entire agreement between the parties as of this date, and supersedes all prior written or oral agreements regarding this subject matter.

EACH AND EVERY CLAUSE AND CONDITION HEREIN CONTAINED SHALL BE BINDING UPON AND INURE TO THE BENEFIT OF THE HEIRS, EXECUTORS, ADMINISTRATORS AND SUCCESSORS OF ALL THE PARTIES HERETO.

-- SIGNATURE PAGE FOLLOWS --

IN WITNESS WHEREOF, the parties hereto have executed this instrument the day and year first above set forth.

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OCT 23 2023

LESSOR:

JAM, LLC

By: _____

David Healy
Its: Member

LESSEE:

IRENE, LLC

By: _____

Dylan Healy
Its: Member

By: _____

Michael Healy
Its: Member