REAL ESTATE
SUBLEASE

This Sublease Agreement ("Sublease") is dated January 1, 2024 (the "Commencement Date") by and between vanGreen's, LLC (hereinafter referred to as "Sublessor"), and Island Girl Cannabis Co., LLC DBA Island Girl Cannabis (hereinafter referred to as "Sublessee"). The parties agree as follows:

PREMISES. Sublessor in consideration of the lease payments provided in this Sublease, leases to Sublessee a portion of the leased building area (the "Premises"), identified as "Suite A", located at 224 Smith Street, #A, Sitka, Alaska 99835. This Premises is approximately 980 square feet, and is shown more particularly in the drawing annexed hereto as Exhibit "A"

TERM. The sublease term of this Agreement shall be six (6) years and will begin on October 1, 2021 and will terminate on September 30, 2027. Three (3) years after the Commencement Date, the parties will confer and reassess rent, in good faith, and adjust rent to the current market value, or keep rent the same, if the rent is already at the current market value.

LEASE PAYMENTS. Sublessee shall pay to Sublessor monthly installments of $1,500.00 payable on the first day of each month.

SECURITY DEPOSIT. Upon execution of this Agreement Sublessee shall pay a security deposit of $3,000.00 (the "Security Deposit"). Sublessor may, but shall not be obligated, to apply any part of the Security Deposit to cure Sublessee's default or breach of this Agreement, or to cover operational or maintenance expenses that Sublessee would otherwise be required to pay. Within fifteen (15) days after the termination or expiration of this Agreement, if Sublessee has timely vacated the Premises, then Sublessor shall return any remaining balance of the Security Deposit, minus any repair expenses, cleaning fees, and/or past due rental amounts or otherwise.

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.

USE OF PREMISES. Sublessee may use the Premises for the licensed commercial retail sales of marijuana and related products. The Premises may be used for any other purpose only with the prior written consent of Sublessor, which shall not be unreasonably withheld. Sublessee shall notify Sublessor of any anticipated extended absence from the Premises not later than the first day of the extended absence. For purposes of clarity, the term "extended absence" means that the Sublessee is not open for business for more than fourteen (14) consecutive days; provided, however, that nothing in this provision shall be read to require the Sublessee to be open for business prior to receiving all necessary approvals required to operate its business, including, without limitation, approval from the Alaska Alcohol & Marijuana Control Office ("AMCO").

LATE PAYMENTS. For any payment that is not paid within fifteen (15) days after its due date,

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Sublessee shall pay a late fee of $250.00.

UTILITIES: Sublessee shall be responsible for its portion of utilities. Electricity, water, and sewer are all separately meter and Sublessee is responsible for the costs of its use of the aforementioned. Sublessee shall be responsible in full for any telephone and internet services it needs for its intended use. Sublessee shall be responsible for its own garbage disposal.

PARKING. Sublessor shall provide all parking necessary for the approved uses of the property and shall provide ADA-compliant accessible spaces if required to do so by law.

HOLDOVER. If Sublessee maintains possession of the Premises for any period after the termination of this Sublease ("Holdover Period"), Sublessee shall pay to Sublessor lease payment(s) during the Holdover Period at a rate equal to the most recent rate preceding the Holdover Period. Such holdover shall constitute a month-to-month extension of this Sublease.

CUMULATIVE RIGHTS. The rights of the parties under this Sublease are cumulative and shall not be construed as exclusive unless otherwise required by law.

NON-SUFFICIENT FUNDS. Sublessee shall be charged $35.00 for each check that is returned to Sublessor for lack of sufficient funds.

REMODELING OR STRUCTURAL IMPROVEMENTS. Sublessee shall have the obligation to conduct any construction or remodeling (at Sublessee's expense) that may be required to use the Premises for the use(s) specified above. Sublessee may also construct such fixtures on the Premises (at Sublessee's expense) that appropriately facilitate its use for such purposes. Such construction shall be undertaken, and such fixtures may be erected, only with the prior written consent of Lessor Steven & George Skannes (the "Lessor"), which shall not be unreasonably withheld. Sublessee shall not install awnings or advertisements on any part of the Premises without Lessor prior written consent. At the end of the lease term, Sublessee shall be entitled to remove (or at the request of Lessor shall remove) such fixtures and shall restore the Premises to substantially the same condition of the Premises at the commencement of this Sublease.

ACCESS BY SUBLESSOR AND LESSOR TO PREMISES. Subject to Sublessee's consent (which shall not be unreasonably withheld), Sublessor and/or Lessor shall have the right to enter the Premises to make inspections, provide necessary services, or show the unit to prospective buyers, mortgagees, tenants or workers. However, Sublessor and/or Lessor does not assume any liability for the care or supervision of the Premises. As provided by law, in the case of an emergency, Sublessor and/or Lessor may enter the Premises without Sublessee's consent. During the last three months of this Sublease, or any extension of this Sublease, Sublessor and/or Lessor shall be allowed to display the usual "To Let" signs and show the Premises to prospective tenants. During any entry by Sublessor and/or Lessor or its agents on the premises, Sublessor and/or Lessor agents or employees shall be over the age of 21 and shall comply with Sublessee's visitor policy, show government issued ID, wear a visitor badge, remain in eyesight of a designated Sublessee agent, comply with and sign into the log in sheet and sign out when leaving the premises, as is required by the Alaska Marijuana Control Board Regulations. At no time

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shall Sublessor and/or Lessor have more than five (5) persons enter the premises.

INDEMNITY REGARDING USE OF PREMISES. To the extent permitted by law, 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 may suffer or incur in connection with Sublessee's possession, use or misuse of the Premises, except Sublessor and/or Lessor acts or negligence.

COMPLIANCE WITH REGULATIONS. Sublessee shall promptly comply with all laws, ordinances, requirements and regulations of the federal, state, county, municipal and other authorities, and the fire insurance underwriters. However, Sublessee shall not by this provision be required to make alterations to the exterior of the building or alterations of a structural nature.

MECHANIC'S LIENS. Neither the Sublessee nor anyone claiming through the Sublessee shall have the right to file mechanic's liens or any other kind of lien on the Premises and the filing of this Sublease constitutes notice that such liens are invalid. Further, Sublessee 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 that are necessary in order to keep the premises free of all liens resulting from construction done by or for the Sublessee.

INSURANCE. *General Commercial Liability Insurance*. Sublessee shall, at Sublesee's sole cost and expense, procure and maintain at all times during the Lease Term, a policy of comprehensive general liability insurance with a reputable insurer with personal/bodily injury coverage and contractual liability coverage, with minimum limits of $1,000,000.00 on account of bodily injuries to, or death of, one or more than one person as the result of any one accident or occurrence arising out of and in connection with the Sublessee's use or occupancy of the Leased Premises and $1,000,000.00 on account of damage to property. Sublessee shall name Sublessor and Lessor as additional insured. Sublessee shall be responsible, at its expense, for fire and extended coverage insurance on all of its personal property, including removable trade fixtures, located in the leased premises. The policy will include a clause that Sublessee will not cancel or change the insurance without first giving Sublessor and Lessor ten (10) days prior written notice. Sublessee shall provide Sublessor with current Certificates of Insurance evidencing Sublessee's compliance with this section.

Personal Property Insurance. Sublessee agrees that all personal property of every kind or description whatsoever in the Leased Premises or on the Property shall be at Sublessee's sole risk and Sublessee shall not hold or attempt to hold Sublessor liable, unless destruction caused by the gross negligence of the Sublessor, or its agents, for any damage or injury, done to or for loss of such personal property, or for damage or loss suffered by the business or occupation of Sublessee, for any reason., including, but not limited to, theft, smoke, defective electrical wiring and the Sublessee Improvements installed by Sublessee and its agents. Sublessee shall, at Sublessee's sole cost and expense, procure and maintain at all times during the Sublease Term, a policy of personal property insurance with a reputable insurer covering loss or damage to the personal property of Sublessee located on or within the Leased Premises and upon the Property.

THIRD PARTY LIENS. Sublessee shall keep the Leased Premises free and clear from all third-party liens arising out of the Sublessee's occupancy of the Leased Premises or the conduct of the

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Sublessee's business operations. Sublessee shall promptly and without demand by Sublessor cause any such liens to be released by payment, bonding or otherwise without demand by Sublessor, and shall indemnify Sublessor against losses arising out of any such claim (including, without limitation, legal fees and court costs). Sublessor shall have the right at all times to post and keep posted on the Leased Premises any notices permitted or required by law, or which the Sublessor shall deem proper, for the protection of the Sublessor and the Leased Premises, and/or any other party having an interest therein, from mechanic's and materialman's liens. Sublessee shall give Sublessor at least ten (10) days written notice of the expected date of commencement of any Sublessor and Master Landlord's approved work relating to alterations and/or additions to the Leased Premises.

SUBSTANTIAL TAKING. If in the determination of Sublessor that part or a substantial part of the Leased Premises are taken for any public or quasi-public use under any governmental law, ordinance or regulation, or by right of eminent domain or by purchase in lieu thereof, and in the determination of Sublessor the taking would prevent or materially interfere with the use of the Leased Premises for the purpose for which it is then being used, this Lease shall, at the option of Sublessor, terminate and the rent shall be abated during the unexpired portion of this Lease effective on the date physical possession is taken by the condemning authority.

ARBITRATION. Any controversy or claim relating to this Sublease, including the construction or application of this Sublease will be settled by binding arbitration under the rules of the American Arbitration Association, and any judgment granted by the arbitrator(s) may be enforced in any court of proper jurisdiction.

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.

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:

vanGreen's, LLC
224 Smith St., Suite E
Sitka, AK 99835

SUBLESSEE:

Island Girl Cannabis Co., LLC
224 Smith St., Suite A
Sitka, AK 99835

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

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third day after posting.

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

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.

SEVERABILITY. If any portion of this Sublease shall be held to be invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable. If a court finds that any provision of this Sublease is invalid or unenforceable, but that by limiting such provision, it would become valid and enforceable, then such provision shall be deemed to be written, construed, and enforced as so limited.

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.

BINDING EFFECT. The provisions of this Sublease shall be binding upon and inure to the benefit of both parties and their respective legal representatives, successors and assigns.

Except to the extent that the terms and conditions of this Lease Amendment are to the contrary, all other terms and conditions of the original Lease Agreement and any amendments thereto remain in full force and effect.

SUBLESSOR:
vanGreen's, LLC
BY:

Member, Eric C. vanVeen

SUBLESSEE:
Island Girl Cannabis Co., LLC
BY:

Manager, Aaryn ~~vanVeen~~
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I, George Skannes, owner of the property located at 224 Smith Street, Sitka, AK 99835, hereby agree to allow vanGreen's, LLC to sublease a portion (Unit A) of said property to Island Girl Cannabis Co., LLC for the purposes referred to in this sublease agreement.

Dated this ___April30___ day of _____, 2024. April 10, 2024

George Skannes

George Skannes

I, Steven Skannes, owner of the property located at 224 Smith Street, Sitka, AK 99835, hereby agree to allow vanGreen's, LLC to sublease a portion (Unit A) of said property to Island Girl Cannabis Co., LLC for the purposes referred to in this sublease agreement.

Dated this 3rd day of Jan, 2024.

Steven Skannes — see conditions below

Steven Skannes

If Island Girl Cannabis fails and move out the payment reverts back to vanGreen LLC

We prefer rents to be paid thru VANGREENS.

Island Girl Cannibis needs to show proof of insurance including liability

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