COSMIC ENTERPRISES LLC
&
COSMIC SEAWEED LLC
COMMERCIAL LEASE AGREEMENT

THIS LEASE is made this August 1, 2024, between Cosmic Enterprises LLC, an Alaska Limited Liability Company (hereafter referred to as "Landlord"), and Cosmic SeaWeed, LLC, an Alaska Limited Liability Company, owned by Chris Long, an individual. (hereafter referred to as "Tenant") The Tenant and Landlord are collectively referred to as the "Parties." This Agreement to Lease is referred to throughout the Agreement to Lease as "Lease" and/or "Agreement."

1. Premises. Landlord hereby Leases to Tenant, and Tenant hereby Leases from Landlord the "Premises" located at 261 & 271 E Bunnell Avenue, Homer, AK 99603, with the legal description of: T 6S R 13W SEC 20 Seward Meridian HM 0670365 W R BENSON SUB AMENDED LOT 151.

2. Term.

2.1 Term. The term of this Lease shall be a five (5) year Lease commencing on August 1, 2024 (the "Lease Commencement Date"), with options to renew as provided below. If Tenant complies with its obligations arising pursuant to the terms of this Lease, possession of the Premises shall be provided to Tenant on the Lease Commencement Date.

2.2 Option to Renew. If the Tenant is not in default hereunder, the Tenant or Landlord may renew the Lease upon reaching a mutual written Agreement before the expiration of this Lease at midnight on July 31, 2027; extensions or renewals of this Lease may be subject to terms and conditions different from this Lease Agreement.

2.3 Early Termination. In the event Tenant, despite best efforts and at no fault of its own, is unable to obtain the necessary Alaska state licenses, Kenai Peninsula Borough land use permit approvals, and any requirements set forth by the City of Homer to operate a marijuana establishment [or there are changes in Local, State, or Federal law that make the business of Tenant illegal, Tenant may, at Tenant's election, be released from the terms of the Lease. In such event, the Landlord shall retain as liquidated damages all payments and deposits paid by or on behalf of the Tenant, and the Tenant shall pay an additional Ten Thousand Dollars ($10,000.00) to be released from all liabilities and obligations of the Lease. Landlord and Tenant acknowledge that Landlord's damages in such an event are difficult to precisely measure, but that sum is a fair and reasonable approximation of those damages. This release and liquidated damages provision is not applicable in circumstances other than those expressly set forth in this paragraph.

3. Rent.

3.1 Rent. During the five-year term of this Lease, the Rent shall be Ten Thousand Dollars ($10,000.00) per month. Tenant shall pay the applicable rent to Landlord at the Landlord's address specified below, or at such other place as the Landlord may hereinafter designate, on or before

the 1st of each month. The Tenant must also pay all real property tax obligations associated with the Premises Leased.

Rental adjustments are permissible at the discretion of the Landlord.

3.2 Late Payment. Tenant acknowledges that if rent is not paid before the 20th of the month, then Tenant shall be assessed a $100.00 late fee per day the rent is delayed. Any failure by the Tenant to make a rental payment then due within twenty (20) days after the date due and after the Landlord has provided the Tenant notice of non-payment shall constitute a material default under this Lease, and the Landlord shall have all the rights and remedies specified in this Lease.

4. Landlord's Title – Quiet Enjoyment.

4.1 Landlord's Authority. Landlord represents and warrants to the Tenant that it has the power and authority to execute and deliver this Lease and to carry out and perform all covenants to be performed hereunder.

4.2 Quiet Enjoyment. Landlord covenants that the Tenant, upon paying the rent and all other charges herein provided for and observing and keeping all covenants, Agreements, and conditions of this Lease on its part to be kept, shall quietly have and enjoy the Premises during the term of his Lease.

4.3 Covenant of Use. The Landlord makes no representations or warranties to the Tenant as to the suitability of the Premises for the Tenant's intended purposes. Tenant is responsible for confirming that Tenant's intended use is authorized by applicable law; covenants, conditions, restrictions, and easements affecting title, which may appear in the public record, including those shown on any recorded plat or survey; the Kenai Peninsula Borough Code and any ordinances from the City of Homer. With regard to all such matters, the Tenant is relying on its own investigations and such inspections and studies as it chooses to conduct. The Premises may not be used for any other purpose without written consent from the Landlord.

5. Utilities and Services. Tenant shall procure in its own name and pay promptly when due all charges for all property taxes, sewer, garbage disposal, telephone, electricity, cable, heat, gas, power, and any other utilities, services, or operating expenses and like charges, including any fire protection or security charges, furnished to, or consumed upon the Premises. Landlord shall not be liable for any failure or interruption of utilities or other services to the Premises. Tenant shall coordinate with the electrical utility company to address additional electrical needs. Tenant shall pay for any necessary power upgrades for its product manufacturing use.

6. Taxes and Assessments.

6.1 Real Estate Taxes and Assessments. Tenant shall pay real estate taxes and assessments on the Premises in full before their due date. If the Tenant pays such real estate taxes or assessments late, the Tenant shall also pay any interest, fees, and penalties arising from the late payment. The Tenant shall pay its share for the time they have access to the Premises during the calendar year. The Landlord agrees to ensure that the Tenant receives all invoices or statements for taxes due at least fourteen (14) days before such taxes are due. Upon demand by the Landlord, the Tenant shall provide proof of payment of such taxes and assessments.

If Tenant fails to pay real property taxes and assessments when due, Landlord may, at its option, pay the same, and the amount paid by Landlord, including any interest and penalties thereon, shall immediately be due and payable, with interest at 1.5% per month, or the maximum legal rate if applicable. Such payment by the Landlord shall be in addition to all other remedies that may be available to the Landlord for the default by the Tenant.

Upon receipt, the Landlord shall provide the Tenant with all documents and notices concerning the Premises' change in value (for real estate tax purposes). At Tenant's expense, Tenant may contest any such real property taxes or assessments in any manner permitted by law, in Tenant's name, and whenever necessary and required by law, in Landlord's name. Landlord shall cooperate with Tenant and execute any documents or pleadings required for such purposes, provided that Landlord shall be satisfied that the facts set forth in such documents or pleadings are accurate and that such execution or cooperation does not impose any obligations, expense, or liability on Landlord.

6.2 **Additional Taxes.** Should there presently be in effect or should there be enacted during the term of this Lease any law, statute, or ordinance levying any tax (other than Federal or State income taxes) directly or indirectly, in whole or in part, upon rents or the income from real estate or rental property, or increasing any such tax, Tenant shall reimburse Landlord monthly, as additional rent, at the same time as minimum rental payments are due hereunder, for the actual amount of all such taxes paid. Tenant shall pay any license or excise fees and occupation taxes covering business conducted in, on, or about the Premises.

7. Repairs, Maintenance, and Condition of Premises.

7.1 **Condition of Premises.** The Property is Leased as-is. The Landlord is not responsible for theft, damage, or disturbing the Tenant's property.

The Tenant is responsible for environmental remediation as required by State or Local Government regulations or ordinances. The Tenant is solely responsible for ensuring that the process of producing marijuana products does not create any noxious or unpleasant fumes or create a disturbance of any kind for any neighbors or passers-by. The Tenant is responsible for any and all issues that may arise due to the nature of the marijuana product manufacturing industry, including Notices of Violation, City or Borough ordinance compliance, or any other issues.

7.2 **Maintenance and Repair.** The Tenant shall be responsible for maintaining the structural integrity of the building, the roof, and all mechanical portions of the Premises now existing (heating, plumbing, electrical, etc.) throughout the entirety of the Lease and shall be returned to the Landlord in the same or better condition than initially Leased. The Tenant is responsible for maintaining other internal aspects of the Premises (e.g., light bulb replacement, door replacement, etc.). The Tenant shall also be responsible for snow and ice removal, sanding, and landscaping.

7.3 **Alterations, Additions, and Improvements.** Tenant, at its sole cost and expense, shall request Landlord to make alterations, additions, and improvements to the Premises with Landlord's prior written consent, which shall not be unreasonably withheld.

7.4 **Entry and Inspection.** Upon no less than twenty-four hours' notice and compliance with Tenant's marijuana visitor log policy, Tenant will permit Landlord or its agents to enter the Premises during normal business hours, excluding legal holidays, to inspect, clean, repair, alter, or improve the Premises, or to show the Premises to prospective Purchasers or Tenants. In exercising its rights under this section, the Landlord will not unreasonably interfere with the conduct of the Tenant's business.

8. Use of Premises.

8.1 **Nature of Use.** Tenant shall use the Premises for a retail marijuana store, marijuana product manufacturing and a marijuana cultivation establishment provided all necessary permits and licenses are obtained, including, but not limited to, approvals from the State of Alaska, the Kenai Peninsula Borough, the City of Homer, and any other necessary state and local agencies. The Landlord agrees that the Tenant shall use the Premises to cultivate, produce and sell marijuana and marijuana products.

8.2 **Hazardous Substances.**

8.2.1 **Presence and Use of Hazardous Substances.** Unless otherwise set forth in this Section 9.2, Tenant shall not, without Landlord's prior written consent, keep on or around the Premises or Common Areas, for use, handling, disposal, treatment, generation, storage, or sale, and "Hazardous Substance" hereinafter defined as any "Permitted Hazardous Substances" as defined below, which are hazardous or toxic substance, or waste, regulated pursuant to any federal, state or local environmental law, including without limitation, the Clean Air Act, the Clean Water Act, the Toxic Substances Control Act, the Comprehensive Environmental Response Compensation and Liability Act, the Resource Conservation and Recovery Act, the Federal Insecticide, Fungicide, Rodenticide Act, the Safe Drinking Water Act, and the Occupational Safety and Health Act due to its potential harm to health, safety, or welfare of humans or the environment. With respect to any such Hazardous Substance, Tenant shall;

8.2.1.1 Comply promptly, timely, and completely with all governmental requirements for reporting, keeping, and submitting manifests and obtaining and keeping current identification numbers.

8.2.1.2 Submit to Landlord true and correct copies of all reports, manifests, and identification numbers at the same time as they are required to be and are submitted to the appropriate governmental authorities;

8.2.1.3 Within five (5) days of the Landlord's request, submit written reports to the Landlord regarding the Tenant's use, handling, storage, treatment, transportation, generation, disposal, or sale of Hazardous Substances and provide evidence satisfactory to the Landlord of Tenant's compliance with the applicable government regulations;

8.2.1.4 Allow Landlord or Landlord's agent or representative to come on the Premises during business hours and upon reasonable notice to check Tenant's compliance with all applicable governmental regulations regarding Hazardous Substances;

8.2.1.5 Comply with minimum levels, standards, or other performance standards or requirements that may be set forth or established for certain Hazardous Substances (if minimum standards or levels apply to Hazardous Substances present on the Premises, such levels or standards shall be established by an on-site inspection by the appropriate governmental authorities and shall be set forth in an addendum to this Lease); and

8.2.1.6 Comply with all applicable governmental statutes, ordinances, rules, regulations, management plans, and requirements regarding the proper and lawful use, handling, sale, transportation, generation, treatment, and disposal of Hazardous Substances.

Any costs incurred by the Landlord and associated with the Landlord's inspection of the Tenant's Premises and the Landlord's monitoring of the Tenant's compliance with the Section, including the Landlord's attorney's fees and costs, shall be Additional Rent and shall be due and payable to Landlord immediately upon demand by Landlord.

8.2.2 Default.

8.2.2.3 Upon the Tenant's default under this Section, in addition to the rights and remedies set forth elsewhere in the Lease, the Landlord shall be entitled to the following rights and remedies:

(i) At Landlord's option, to terminate this Lease immediately;

(ii) To recover any damages associated with the default, including, but not limited to, civil and criminal penalties and fees, loss of business and sales by the Landlord, any damages and claims asserted by third parties, and the Landlord's attorney's fees and costs.

8.3 Disposal of Non-Hazardous Waste Materials. All non-hazardous waste materials shall be disposed of by Tenant properly and in accordance with all applicable laws and regulations

8.4 Compliance with Law. Tenant shall not use the Premises or permit anything to be done in or about the Premises which will in any way conflict with any state law, stature, zoning restriction, ordinance governmental rule or regulation or requirements of duly constituted public authorities now in force or which may hereafter be enacted or promulgated. Tenant shall, at its sole cost and expense, comply with all state laws, statutes, ordinances, and governmental rules, regulations, or requirements now in force or which may hereafter be in force and with the requirements of any board of fire underwriters or other similar body now or hereafter constituted relating to or affecting the condition, use of occupancy of the Premises.

9. Insurance; Indemnity.

9.1 General Liability Insurance. Tenant, at its own expense, shall procure and maintain in effect comprehensive General liability insurance coverage with limits of not less than One Million Dollars ($1,000,000.00) for bodily and personal injury or death to any one person, with minimum limits of not less than One Million Dollars ($1,000,000.00) for bodily and personal injury or death to more than one person; and with limits of not less than Five Hundred Thousand Dollars ($500,000.00) with respect to damage to property. In no event shall the limits of said policies be

considered limiting the liabilities of Tenant under this Lease. The above-stated minimum policy limits shall be subject to periodic review by the Landlord.

9.2 **Casualty Insurance.** Tenant, at its expense, shall maintain in effect the policies of insurance covering (a) the Premises, Leasehold improvements, fixtures, and equipment located on the Premises, for the full replacement value, and protecting against any peril included within the classification "Fire and Extended Coverage," together with insurance against sprinkler damage (if the building has a sprinkler system installed), vandalism and malicious mischief; and (b) all plate glass on the Premises. The proceeds of such insurance, so long as this Lease remains in effect, shall be used to repair or replace the Premises, Leasehold improvements, fixtures, equipment, and plate glass so insured.

9.3 **Worker's Compensation Insurance.** Worker's Compensation insurance to at least statutory requirements.

9.4 **Insurance Policies.** All insurance shall name the Landlord as an additional insured and shall be with companies and with loss-payable clauses satisfactory to the Landlord. Copies of policies or certificates evidencing such insurance shall be delivered to the Landlord by the Tenant. No such policy shall be cancelable or amendable except after thirty (30) days written notice to Landlord.

Whenever the Landlord's reasonable business judgment, good practice, and changing conditions indicate a need for additional and different types of insurance coverage, the Tenant shall obtain such insurance at its expense upon request from the Landlord.

If the Tenant does not maintain or procure required insurance, after 10 days written notice to the Tenant, the Landlord may [but is not required to] procure and obtain such insurance. The cost of any such insurance obtained by the Landlord shall be additional rent, which will be due and payable upon demand.

9.5 **Waiver of Subrogation.** Landlord and Tenant mutually agree to waive their right of recovery against each other, and their respective officers, employees, or agents, for losses or damages occurring to the Premises, improvements, contents, other property of the waiving Party or under its control, or business interruptions related to the loss or damage to such property. However, the parties agree that this waiver applies only to losses covered by valid and collectible insurance and only to the extent that such insurance applies, not in excess of the amount collectible from such insurance. The waiver shall not apply to damages over the amount collectible from such insurance. Permission to grant this waiver is to be included in the provisions of the insurance policies now carried by both Landlord and Tenant. The continuation of this mutual waiver of subrogation is subject to the insurance continuing to grant this option on renewal policies.

9.6 **Indemnification of Landlord.** Landlord shall not be liable for any loss, injury, or death to a person or damage to property, in or about the Premises, from any cause, which at any time be suffered by Tenant or by its invitees or employees or agents, except to the extent caused by the sole negligence or willful misconduct of Landlord, its employees, agents, and contractors. The Tenant agrees to indemnify, defend, and save the Landlord, its employees, and its agents harmless

from any claims and expenses, including reasonable attorney's fees and costs and litigation-related expenses arising out of such injury, death, or damage; however, occurring, on or about the Premises.

9.7 **Landlord Liability.** Tenant shall store its property in and shall occupy the Premises at its own risk and releases Landlord, to the full extent permitted by law, from all claims of every kind resulting in loss of life, personal or bodily injury, or property damage. Landlord shall not be responsible or liable at any time for any loss or damages to the Tenant's equipment, fixtures, or other personal property of the Tenant or to the Tenant's business. Landlord shall not be responsible or liable to Tenant or to those claiming by, though, or under Tenant for any loss or damages to either the person or property of Tenant that may be occasioned by or through the acts or omissions of the person occupying adjacent, connecting, or adjoining Premises. Landlord shall not be responsible or liable for any defect, latent or otherwise, in the Premises or any improvements, equipment, machinery, utilities, appliances, or apparatus thereon. Landlord shall also not be responsible or liable for any injury, loss, or damage to any person or to any property of Tenant or other person caused by or resulting from bursting, breakage or by or from leakage, seam or snow or ice, running or the overflow of water or sewage in any part of said Premises or for any injury or damage caused by or resulting from acts of god or the elements, or for any injury or damage caused by or resulting from any defect in the occupancy, construction, operation or use of any of said Premises, improvements, machinery, apparatus, or equipment by any person or by or from the acts or negligence of any occupant of the Premises.

10. **Reconstruction and Restoration.**

10.1 **Minor Damage.** If during the term hereof, the Premises are damaged by fire or other perils covered by the fire and extended coverage insurance on the Premises, and such damage is not "substantial," Landlord shall promptly repair such damage at Landlord's expense after the application of all insurance proceeds. This Lease shall continue in full force and effect.

10.2 **Substantial Damage.** If during the term hereof, the Premises are destroyed or damaged by fire or other perils covered by the insurance, and if such damage is "substantial," Landlord may at its option either (a) promptly repair such damage at Landlord's expense after the application of all insurance proceeds, in which event this Lease shall continue in full force and effect, or (b) cancel this Lease as of the date of such damage, by giving Tenant written notice of its election within thirty (30) days after the date Tenant notifies the Landlord of such damage.

10.3 **Abatement of Rent.**

10.3.1 If the Premises are destroyed or damaged and the Landlord repairs or restores them under this section, the Tenant shall continue the operation of this business in the Premises to the extent reasonably practicable. The rent payable hereunder for the period during which such damage, repair, or restoration continues shall be decreased in proportion to the proportion of usable Premises space compared to the total Premises space. The Tenant shall have no claim against the Landlord for any damage suffered by the Tenant because of such damage, destruction, repair, or restoration.

10.3.2 If Landlord shall be obligated to repair or restore the Premises under this Section and shall not commence such repair or restoration within ninety (90) days after such obligation shall accrue, or if the estimated repair time is more significant than 180 days, Tenant may at its option cancel this Lease as of the date of occurrence of such damage by giving Landlord notice of its election to do so at any time prior to the commencement of such repair or restoration and sue for damages cause Tenant by Landlord's breach, and obtain an order specifically enforcing Landlord's obligations to repair and restore. All of the said remedies shall be cumulative.

10.4 **Definition of "Substantial."** For the purpose of this Section 11, "substantial" damage to the Premises shall mean damage to the Premises the estimated cost of repair of which exceeds fifty percent (50%) of the then estimated replacement cost of the improvements to the Premises, or uninsured or underinsured damage exceeds six (6) months monthly rent in effect. The good faith determination by the Landlord of the estimated repair and replacement cost shall be prima facie evidence for this Section.

11. Condemnation.

11.1 **Entire or Substantial Taking.** If the entire Premises, or so much thereof as to make the balance not reasonably adequate for the conduct of Tenant's business (notwithstanding restoration by Landlord as herein provided) shall be taken under the power of eminent domain, the Lease shall automatically terminate on the date the condemning authority takes possession,

11.2 **Partial Taking.** In the event of any taking under the power of eminent domain which does not so result in termination of this Lease, the monthly rental payable hereunder shall be reduced, effective on the date the condemning authority takes possession, in the same portion as the value of the Premises after the taking relates to the value of the Premises before the taking. Landlord shall promptly, at its sole expense, restore the portion of the Premises not taken to as near its former condition as is reasonably possible, and this Lease shall continue in full force and effect.

11.3 **Awards.** Any award for taking all or any part of the Premises under the power of eminent domain shall be the property of the Landlord, whether such award shall be made as compensation for diminution in value of the Leasehold or for taking of the fee. Nothing herein, however, shall be deemed to preclude Tenant from obtaining, or to give Landlord any interest in, any award to Tenant for loss of or damage to or cost of removal of Tenant's trade fixtures and removable personal property, or for damages for cessation or interruption of Tenant's business.

12. **Liens and Encumbrances.** Tenant agrees that it will pay all costs for work done or caused to be done by it on the Premises, and Tenant will keep the Premises free and clear of all mechanics and other liens on account of work done for Tenant or persons claiming under Tenant. Should any claim of lien be filed against the Premises or any action affecting the title to such property be commenced, the Party receiving notice of such lien or action shall promptly give the other Party written notice thereof. In the event a dispute between Tenant and a third-party having lien rights arising from work performed for Tenant results in litigation to enforce such lien right in which Landlord or any Party deriving rights from Landlord is named a Party defendant, defense of such action shall, at Landlord's option immediately be assumed by Tenant. Tenant shall appear and defend Landlord and any parties deriving interest through Landlord or shall pay any costs or attorneys' fees

incurred by Landlord or parties deriving interest through Landlord in respect to their own defenses to such action and shall indemnify and hold Landlord and parties deriving interest through Landlord harmless from any judgment arising out of such litigation.

13. Surrender or Premises.

13.1 Surrender of Premises. Tenant shall promptly surrender possession of the Premises to Landlord upon the expiration or prior termination of the Lease. The Premises shall be surrendered in the same condition as they were at the commencement of the Lease term, normal wear and tear excepted, damages covered by insurance excepted, and acts of God or the elements excepted.

13.2 Holding Over. Any holding over by the Tenant after the Lease's expiration or termination shall be construed as a tenancy for a month-to-month, on all of the terms and conditions set forth herein, to the extent not inconsistent with a month-to-month tenancy. During such tenancy, the Tenant agrees to pay the Monthly Rental in effect immediately prior to commencement of the holding over, times 125%.

13.3 Sub-Tenancies. The voluntary or other surrender of this Lease by Tenant, or a mutual cancellation thereof, terminate all and any existing sub-tenancies, or may, at the option of Landlord, operate as an assignment to it of any such sub-tenancies.

14. Default by Tenant.

14.1 Default. The occurrence of any of the following events shall constitute a breach of this Lease by the Tenant.

14.1.1 Failure to Pay Rent. The failure by Tenant to make any payment of Rent or any other payment required to be made by Tenant hereunder, as and when due, where such failure shall continue for ten (10) business days after written notice thereof by Landlord is received by Tenant.

14.1.2 Failure to Perform. The failure by Tenant to observe or perform any of the covenants, conditions, or provisions of this Lease to be observed or performed by the Tenant, other than payment of rent, where such failure shall continue for a period of thirty (30) days after written notice thereof by Landlord is received by Tenant; provided, however, that if the nature of Tenant's default is such that more than thirty (30) days are reasonably required for its cure, then Tenant shall not be deemed to be in default if Tenant commences such cure within said thirty (30) day period and after that diligently prosecutes such cure to completion.

14.1.3 Bankruptcy. The making by Tenant of any general assignment or general arrangement for the benefit of creditors; or by the filing by or against Tenant of a petition to have Tenant adjudged bankrupt, or a petition or reorganization or arrangement under any law relating to bankruptcy (unless, in the case of a petition filed against Tenant, the same is dismissed within sixty (60) days filing); or the appointment of a trustee or a receiver to take possession of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease, where such seizure is not discharged in thirty (30) days after appointment of said trustee or receiver, or the filing of a petition for the appointment of the same, whichever shall first occur.

14.2 Remedies in Default. In the event of any such default or breach by Tenant, Landlord may at any time thereafter, 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:

14.2.1 Terminate Lease. Terminate Tenant's right to possession of the Premises by any lawful means, in which case this Lease shall terminate, and Tenant shall immediately surrender possession of the Premises to Landlord. In such event, the Landlord shall be entitled to recover from the Tenant all past due rents and other charges; the expenses of reletting the Premises, including necessary renovation and alteration of the Premises, reasonable attorneys' fees, and costs; the worth at the time of award by the court having jurisdiction thereof of the amount by which the unpaid rent and other charges called for herein for the balance of the Lease 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 portion of any leasing commission paid by Landlord and applicable to the unexpired Lease Term of this Lease. Unpaid installments of rent or other sums shall bear interest from the date due at the rate of ten percent (10%) per annum.

14.2.2 Continue the Lease. Maintain Tenant's right to possession, in which case this Lease shall continue in effect whether or not Tenant shall have abandoned or vacated the Premises. In such event, the Landlord shall be entitled to enforce all Landlord's rights and remedies under this Lease, including the right to recover past due rents and other charges, the rent and any other charges as may become due hereunder, and at Landlord's option, to recover the worth at the time of the award by the court having jurisdiction thereof of the amount by which the unpaid rent and other charges called for herein for the balance of the Lease Term after the time of such award exceeds the amount of such loss for the same period that Tenant proves could be reasonably avoided.

14.2.3 Other Remedies. Pursue any other remedy now or hereafter available to the Landlord under the laws or judicial decisions of the State in which the Premises are located, including but not limited to the right to assess against Tenant an amount equal to the reasonable attorneys' fees incurred by Landlord in collecting any rent or other payment due hereunder, which amount shall be due in full within ten (10) days of Tenant's receipt of the assessment by Landlord.

15. Default by Landlord. If Landlord is in default for more than thirty (30) days after receipt of Tenant's notice specifying such default, Tenant may incur any expense necessary to perform any obligation of Landlord specified in such notice and deduct such expense from any sums payable by Tenant under this Lease thereafter to become due or pursue any other remedy available at law, equity or by statute, including, but not limited to, damages and/or the right to terminate said Lease. Provided, however, if the Landlord's obligation is such that more than thirty (30) days are required for its performance, the Landlord shall not be deemed in default if it commences such performance within such thirty (30) day period and diligently prosecutes the same to completion.

Irrespective of anything contained in this Section 16, Tenant may not deduct any expenses against any sums payable by Tenant to Landlord under this Lease unless Tenant gave Landlord at least thirty (30) days' notice in writing of the default and Tenant's intention to incur expense to cure said default. In any event, the Tenant may only deduct the reasonable cost of curing

said default. Further, Tenant's inability to deduct said expense against any sums payable by Tenant to Landlord under this Lease shall not affect any other right or remedy of Tenant. In no event shall the Tenant have the right to terminate this Lease due to the Landlord's default.

16. Miscellaneous.

16.1 Waivers. No waiver by either Party of any provision of this Lease shall be deemed a waiver of any other provision hereof or of any subsequent breach by the breaching Party of the same or any other provision. Landlord's consent to or approval of any act by Tenant requiring Landlord's consent or approval shall not be deemed to render unnecessary the obtaining of Landlord's consent or approval of any subsequent act by Tenant, whether or not similar to the act so consented to or approved.

16.2 Notices. All notices under this Lease shall be in writing and delivered in person or deposited in the United States Mail, certified and postage prepaid and addressed to the address of Tenant or Landlord shown below or at such other address as may be designated by either Party in writing.

16.3 General AMCO required Provisions: The Landlord shall not take into its possession any marijuana and shall contact the State of Alaska Alcohol & Marijuana Control Office (AMCO) before any access to the licensed Premises if the Tenant cannot be reached, abandons the Premises or any similar event. During any entry by the Landlord or its agents on the Premises, the Landlord's agents or employees shall be over the age of 21. They shall comply with the Tenant's visitor policy, show a government-issued ID, wear a visitor badge, remain in the eyesight of a designated Tenant 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 shall the Landlord have more than five persons enter the Premises per one supervising agent of the Tenant.

LANDLORD'S ADDRESS: 879 Linda Court
Homer, AK 99603

TENANT'S ADDRESS: 879 Linda Court
Homer, AK 99603

16.3 Interest on Past Due Obligations. Any amount due from Tenant to Landlord hereunder which is not paid when due shall bear interest at the rate of ten percent (10%) per annum from the date until paid, but the payment of such interest shall not excuse or cure any default by Tenant.

16.4 Construction.

16.4.1 This Lease shall be construed and governed by the laws of the State of Alaska;

16.4.2 The invalidity or unenforceability of any provision hereof shall not affect or impair any other provisions hereof;

16.4.3 The Lease constitutes the entire Agreement of the parties and supersedes all prior Agreements or understandings between the parties concerning the subject matter hereof;

16.4.4 This Lease may not be modified or amended except by written Agreement signed and acknowledged by both parties;

16.4.5 Time is of the essence of this Lease in every provision thereof, and

16.4.6 Nothing contained herein shall create the relationship of a principal ad agent, partnership, or joint venture between the parties. No provision contained herein shall be deemed to create any relationship other than that of Landlord and Tenant.

16.5 **Successor.** Subject to any limitations on assignments herein, all of the provisions of this Lease shall inure to the benefit of and be binding upon the successors and assigns of the parties hereto.

16.6 **Costs and Attorneys' Fees.** If by reason of any breach or default on the part of either Party hereto it becomes necessary for the other Party hereto to employ an attorney, then the non-breaching Party shall have and recover against the other Party in addition to costs allowed by law, reasonable attorneys' fees, and litigation related expenses. The non-breaching Party shall be entitled to recover reasonable actual attorney's fees, costs, and expenses, as provided above, regardless of whether litigation has commenced.

16.7 **Jurisdiction and Venue.** The parties hereto consent to the jurisdiction and venue of the Superior Court in Homer, Alaska.

16.8 **Dispute Resolution.**

16.8.1 **Occasions for Arbitration.** In the event of disputes between the parties related to this Agreement or the transactions or relationships contemplated hereby, such disputes shall be resolved by arbitration in accordance with the provision of this Article, and the parties waive the right to proceed in courts of law or equity as to these matters.

16.8.2 **Procedure.** In the event of such dispute as described in the preceding section, the dispute shall be settled by arbitration administered by the American Arbitration Association under its Commercial Arbitration Rules, and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. All arbitration hearings shall be conducted in Homer, Alaska. Prior to instituting an arbitration proceeding, the parties agree to attempt to settle such dispute or claim through non-binding mediation presided over by a mutually agreeable mediator. The arbitrator's decision shall be final and binding, and no appeal may be taken therefrom. Arbitration shall be conducted under the laws of the state of Alaska. Said decision may be confirmed by a court of law, if necessary, in accordance with the provisions of Alaska law.

16.8.3 **Unlawful Detainer.** Notwithstanding the above arbitration clause, in the event of a failure to pay rent or other failure to perform hereunder by the Tenant, the Landlord shall be entitled to commence eviction proceedings under the unlawful detainer statute.

16.9 Broker. Both parties represent and warrant that no Brokers are owed any commissions in relation to this Lease Agreement.

16.10 Authority. Each individual executing this Lease on behalf of the Tenant represents and warrants that he is duly authorized to execute and deliver this Lease on behalf of the Tenant, in accordance with a duly adopted resolution of the shareholders of the Tenant authorizing and consenting to this Lease; authorizing the specific individuals signing this Lease to execute, acknowledge and deliver the same without the consent of any other shareholder; resolving that such action and execution is in accordance with the Operating Agreement of Tenant; and resolving that this Lease is binding upon Tenant in accordance with its terms.

16.11 Counterparts; Electronically Transmitted Signatures. This Lease may be executed in any number of counterparts, each of which shall be deemed an original, but all of which shall constitute the same instrument. Each Party agrees to promptly deliver an executed original to this Agreement with its actual signature to the other Party. Still, a failure to do so shall not affect the enforceability of this Agreement; it is expressly agreed that each Party to this Agreement shall be bound by its own electronically transmitted signature and shall accept the electronic signature of the other Party to this Agreement.

16.12 Entire Agreement. This Lease constitutes and embodies the entire understanding and Agreement of the parties hereto relating to the subject matter hereof – any amendments after the execution date must be made in writing and signed by both parties.

DATED this 24th day of Aug. 2024

LANDLORD:

Cosmic Enterprises LLC

By: _____
Chris Long – Manager, Member

TENANT:

Cosmic SeaWeed LLC

By: _____
Chris Long, Member of CCC Management, LLC - Member