



PUBLIC HEARING AGENDA ITEM

DATE: June 12, 2024
SUBJECT: Retail Marijuana License Transfer: MEL2024-00006 - JW COLORADO dba Tweedleaf to SL ADAMS LLC dba Snaxland
FROM: Brandan Slattery
AGENCY/DEPARTMENT: Community and Economic Development
RECOMMENDED ACTION: That the Adams County Liquor and Marijuana Licensing Authority Board Approve the Transfer of the Retail Marijuana License issued to JW COLORADO to SL ADAMS LLC

BACKGROUND:

Applicant, Dustin Chavez of SL Adams LLC is seeking to be approved for the Transfer of the current Retail Marijuana Store License of JW Colorado dba TWEEDLEAF located at 6299 Federal Blvd, Denver, CO 80221, to SL Adams LLC dba Snaxland. All fees associated with the application were received on May 3, 2023. Applicant entered into a 7 year lease agreement for the property on April 16, 2024.

AGENCIES, DEPARTMENTS OR OTHER OFFICES INVOLVED:

Planning: No review, no comment.
Enforcement: No review, no comment
Building: No review, no comment

No known DOR-MEL actions or investigations during the year

ATTACHED DOCUMENTS:

Renewal Application
Tax Check Authorization and Request to Release Information



COLORADO
Department of Revenue
Specialized Business Group—Marijuana

Marijuana Business License – Change of Controlling Beneficial Owner Application

Marijuana Enforcement Division

Colorado Marijuana Enforcement Division

Marijuana Business License Change of CBO Instructions. Change of Owner applications must be submitted by the current license holder(s).

APPLICATION CHECKLIST

☐ 1 Application Fully Completed

Type or clearly print, in English, an answer to every question. If a question does not apply, indicate with an N/A. If the available space is insufficient, continue on a separate sheet and precede each answer with the appropriate title. An applicant is prohibited from operating a Regulated Marijuana Business prior to obtaining all necessary approvals or licenses from both the State Licensing Authority and the local jurisdiction. **A separate application is required for EACH license type.**

☐ 2 Application Contents

- ☐ Disclosure Requirements
- ☐ Main Application
- ☐ Authorization Forms
- ☐ Publicly Traded Company (PTC) Addendum A
- ☐ Qualified Private Fund (QPF) Addendum B
- ☐ Qualified Institutional Investor (QII) Addendum C
- ☐ Mobile Hospitality Business Addendum D

The disclosure requirements and the main application must be completed in full by all applicants. If this is for a PTC, QPF, QII or Mobile Hospitality Business, the appropriate addendum must also be completed.

☐ 3 All Forms Signed & Attached

The following accompanying forms must be completed and signed by all CBOs whose Owner's Interests are proposed to change with this application and any CBOs being added.

- ☐ Affirmation & Consent
- ☐ Tax Check Authorization
- ☐ Investigation Authorization / Authorization to Release Information
- ☐ Applicants Request to Release Information
- ☐ Affirmation of Reasonable Care

☐ 4 Required Disclosures

- ☐ **See Application Required Disclosures (page 1 of application)**
- ☐ Upon request by the Division, an Applicant must provide additional information or documents required to process and investigate the application, within seven (7) days of the request. Please note: This deadline may be extended for a period of time commensurate with the scope of the request.

☐ 5 Application and License Fees

All applications and documentation submitted must be single-sided and on 8.5x11 inch paper.

See fee table on website: www.colorado.gov/revenue/med

Application fees remitted to the State Licensing Authority and/or the Department of Revenue, are non-refundable.

- ☐ Submit complete application packet. All businesses must provide one complete copy along with the applicable fee (see fee schedule). **Additional fees may be required by the local jurisdiction.**
- ☐ Checks (in the name of the applicant or applicants attorney's trust account), money orders and major credit cards (subject to service charge) are accepted and due at the time of application.
- ☐ Mail-in applications can only be paid by check or money order.

☐ 6 Application Submittal

Applications can be submitted in person or by mail with all attachments and requisite fees:

Marijuana Enforcement Division
1697 Cole Blvd., Suite 200
Lakewood, CO 80401
ATTN: Business Licensing

Note: Incomplete applications will not be processed. Applicants must collect the incomplete application and fees (including those mailed in or delivered via courier), from the Lakewood Office prior to the end of the next business day.

Change of CBO Application Required Disclosures

- ☐ Copy of the Local license application, if required by the local jurisdiction.
- ☒ Organizational Chart, including the identity and ownership percentage of all CBOs.
- ☒ Certificate of Good Standing from jurisdiction where Entity was formed. (Must be U.S. or country that authorizes the sale of marijuana).
- ☒ Organizational documents including identity and physical address of the registered agent in Colorado.
- Organizational Documents (Indicate which document is being provided)
- | | | | | |
|--|----------------------------------|--|---|--|
| <input type="checkbox"/> Articles of Incorporation | <input type="checkbox"/> By-Laws | <input type="checkbox"/> Shareholder agreement | <input checked="" type="checkbox"/> Operating Agreement for LLC | <input type="checkbox"/> Partnership Agreement for partnership |
|--|----------------------------------|--|---|--|
- Corporate Governance Documents (Indicate which document is being provided)
- | | |
|---|---|
| <input type="checkbox"/> Required for Publicly Traded Companies | <input type="checkbox"/> Permitted, but not required for Privately held companies |
|---|---|
- ☒ Asset Purchase agreement, Merger agreement, sales contract or any other document necessary to effectuate the change of owner.
- ☒ Provide a current, executed lease and floor plans.
- ☒ Finding of Suitability application for each new proposed owner, unless exempt, or have currently obtained a Finding of Suitability.
- ☐ Voluntary Surrender of any individual and/or entity who will not remain a CBO on any licensed RMB, will be required upon approval and issuance of the Change of Controlling Beneficial Owner.
- ☐ Copy of State Sales Tax or Wholesale license and any other document necessary to verify tax compliance.

Addendums (Indicate which, if any, addendum's are being completed)

☐ PTC ☐ QPF ☐ QII ☐ Hospitality Business ☐ No Addendum's - Private Company

Glossary of Terms:

RMB - Regulated Marijuana Business

PBO - Passive Beneficial Owner

QII - Qualified Institutional Investor

PTC - Publicly Traded Company

CBO - Controlling Beneficial Owner

IFIH - Indirect Financial Interest Holder

QPF - Qualified Private Fund

Pursuant to 44-10-305(4) prior to submitting an application for a license, registration or permit, the applicant needs to be aware that having a medical marijuana or retail marijuana license and working in the medical marijuana or retail marijuana industry may have adverse federal immigration consequences.

Affirmation of complete application

Signature Gary Schwartz	Printed Name Gary Schwartz	Date 5/8/2024
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Colorado Marijuana Licensing Authority
Marijuana Business License Application
Change of Controlling Beneficial Owner (CBO)

License Types					
<input checked="" type="checkbox"/> Retail Marijuana Store		<input type="checkbox"/> Hospitality Business		<input type="checkbox"/> Retail Marijuana Business Transporter	
<input type="checkbox"/> Retail Marijuana Cultivation		<input type="checkbox"/> Mobile Hospitality Business			
<input type="checkbox"/> Retail Marijuana Testing Facility		<input type="checkbox"/> Hospitality & Sales Business			
<input type="checkbox"/> Retail Marijuana Products Manufacturer		<input type="checkbox"/> Retail Marijuana Business Operator			
<input type="checkbox"/> Medical Marijuana Store		<input type="checkbox"/> Marijuana Research & Development Facility		<input type="checkbox"/> Medical Marijuana Business Transporter	
<input type="checkbox"/> Medical Marijuana Products Manufacturer		<input type="checkbox"/> Medical Marijuana Cultivation Facility			
<input type="checkbox"/> Medical Marijuana Testing Facility		<input type="checkbox"/> Medical Marijuana Business Operator			
Seller's Information					
Seller's Legal Business Name (Please Print) JW Colorado LLC				Marijuana License Number 402R-00807	
Registered Trade Name (DBA) Tweedleaf					
Federal Taxpayer ID		Colorado Sales Tax License #		Name of Registered Agent Gary Michael Schwartz	
Physical Address					
Street Address of Marijuana Business 6299 Federal Blvd				Business Phone Number 303-895-5432	
City Denver	County Denver	State CO	ZIP 80221	Email Address gary@bcls-cpa.com	
Mailing Address (if different from Physical Address)					
Address 633 17th Street, #2250		City Denver		State/Prov CO	ZIP 80202
Main Business Contact Person Information					
Primary Contact Person for Business Jean E. Smith Gonnell				Primary Contact Phone Number 720-635-0311	
Primary Contact Email jean.gonnell@troutman.com					
Jurisdiction of Incorporation or Creation of Business Entity Colorado				Date 01/18/2018	
If a Corporation, List all Jurisdictions Where the Corporation is Authorized to Conduct Business N/A					

Buyer (or additional CBO) Questions

1. Is the applicant (including any of the partners, if a partnership; members or manager if a limited liability company; or officers, stockholders or directors if a corporation) under the age of twenty-one years?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
2. Do you have or will you have possession of a licensed premises?	<input checked="" type="checkbox"/> <input type="checkbox"/>
3. Is the applicant, the applicant's parent company or any other intermediary business entity delinquent in the payment of any judgments, taxes, interest or penalties due to the Department of Revenue, relating to a Medical or Retail Marijuana Business? If YES, provide details on a separate sheet and attach any documents to prove settlement or resolution of the delinquency.	<input type="checkbox"/> <input checked="" type="checkbox"/>
4. Has a judgment, consent decree, settlement or other disposition related to a violation of federal, state or similar foreign or security law or regulation, ever been filed or entered against the applicant, the applicant's parent company or any other intermediary business entity? If YES, provide details on a separate sheet and attach any applicable documents.	<input type="checkbox"/> <input checked="" type="checkbox"/>
5. Has the applicant (including any parent companies), been indicted, served with a criminal summons, charged with or convicted of ANY crime or offense in any manner in the last 3 years? Include ALL offenses regardless of class of crime or outcome, even if the charges were dismissed or you were found not guilty. If YES, explain in detail on a separate sheet and attach it to your application. Provide official documentation from the court showing the final disposition for any felony charge or those related to a controlled substance. (Sealed or expunged non-convictions need not be disclosed.)	<input type="checkbox"/> <input checked="" type="checkbox"/>
6. Are you a Person (Entity) applying for a license at a location that is currently licensed as a retail food establishment? If YES, explain on a separate sheet.	<input type="checkbox"/> <input checked="" type="checkbox"/>
7. Has the buyer(s) or additional CBO(s) filed all Finding of Suitability applications required by the Division?	<input checked="" type="checkbox"/> <input type="checkbox"/>

Local Licensing Authority (To be completed by current license holder)

Local Licensing Authority Adams County		Local Licensing Authority contact name Brandan Slattery	
Contact Phone 720.523.6198	Contact Email bslattery@adcogov.org		
Date of Application with Local Authority, if required	Date of Approval	Date of Expiration	
Does the local licensing authority permit this type of business in their jurisdiction?			Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>

Current Ownership Structure – Controlling Beneficial Owners with 10% or greater ownership and/or Executive Officers, Managers and any other individual that Controls the RMB.

Name Gary Schwartz		SSN/FEIN		DOB	License Number M136263
Address (Home) 633 17th Street, #2250		City Denver	State/Prov CO	ZIP 80202	Phone Number 303-895-5432
Business Associated with (Parent business or sub-entity) JW Colorado LLC		Own. % Entity			Own. % in Applicant Receiver

Name		SSN/FEIN		DOB	License Number
Address (Home)		City	State/Prov	ZIP	Phone Number
Business Associated with (Parent business or sub-entity)		Own. % Entity			Own. % in Applicant

Name		SSN/FEIN		DOB	License Number
Address (Home)		City	State/Prov	ZIP	Phone Number
Business Associated with (Parent business or sub-entity)		Own. % Entity			Own. % in Applicant

Name		SSN/FEIN		DOB	License Number
Address (Home)		City	State/Prov	ZIP	Phone Number
Business Associated with (Parent business or sub-entity)		Own. % Entity			Own. % in Applicant

Name		SSN/FEIN		DOB	License Number
Address (Home)		City	State/Prov	ZIP	Phone Number
Business Associated with (Parent business or sub-entity)		Own. % Entity			Own. % in Applicant

Name		SSN/FEIN		DOB	License Number
Address (Home)		City	State/Prov	ZIP	Phone Number
Business Associated with (Parent business or sub-entity)		Own. % Entity			Own. % in Applicant

Name		SSN/FEIN		DOB	License Number
Address (Home)		City	State/Prov	ZIP	Phone Number
Business Associated with (Parent business or sub-entity)		Own. % Entity			Own. % in Applicant

Name		SSN/FEIN		DOB	License Number
Address (Home)		City	State/Prov	ZIP	Phone Number
Business Associated with (Parent business or sub-entity)		Own. % Entity			Own. % in Applicant

Name		SSN/FEIN		DOB	License Number
Address (Home)		City	State/Prov	ZIP	Phone Number
Business Associated with (Parent business or sub-entity)		Own. % Entity			Own. % in Applicant

Name		SSN/FEIN		DOB	License Number
Address (Home)		City	State/Prov	ZIP	Phone Number
Business Associated with (Parent business or sub-entity)		Own. % Entity			Own. % in Applicant

Buyer's Proposed Business Information (Not applicable if only adding new CBOs)										
New Legal Business Name SL ADAMS LLC					Trade Name Snaxland					
Physical Address 6299 Federal Blvd, Denver, CO 80221										
Mailing Address 1155 S. Cherokee St., Denver, Colorado 80223										
Federal Taxpayer ID 99-1774318					Colorado Sales Tax License # 96257988					
Main Business Contact Person (Not applicable if only adding new CBOs)										
Primary Contact Person for Business Dustin Edward Chavez							Primary Contact Phone Number 303-704-2973			
Primary Contact Email Snaxlandcolorado@gmail.com										
Physical Address of Contact Person 1155 S Cherokee St.										
City Denver							State/Prov CO		ZIP 80223	
Proposed Ownership Structure - Controlling Beneficial Owners with 10% or greater ownership and/or Executive Officers, Managers and any other individual that Controls the RMB. (Do not include the licensed entity/RMB on this table.)										
Name Dustin Edward Chavez										
			City Denver		State/Prov Co		ZIP 80219		303-704-2973	
Business Associated with (Parent business or sub-entity) SL ADAMS LLC					Own. % Entity 100			Own. % in Applicant 100		
Name					SSN/FEIN		DOB		License Number	
Address (Home)			City		State/Prov		ZIP		Phone Number	
Business Associated with (Parent business or sub-entity)					Own. % Entity			Own. % in Applicant		
Name					SSN/FEIN		DOB		License Number	
Address (Home)			City		State/Prov		ZIP		Phone Number	
Business Associated with (Parent business or sub-entity)					Own. % Entity			Own. % in Applicant		
Name					SSN/FEIN		DOB		License Number	
Address (Home)			City		State/Prov		ZIP		Phone Number	
Business Associated with (Parent business or sub-entity)					Own. % Entity			Own. % in Applicant		
Name					SSN/FEIN		DOB		License Number	
Address (Home)			City		State/Prov		ZIP		Phone Number	
Business Associated with (Parent business or sub-entity)					Own. % Entity			Own. % in Applicant		
Printed Legal Business Name SL Adams LLC					Printed Trade Name (DBA)					

Are there any outstanding options, warrants or contracts, that may be exercised into an Owner's Interest in the RMB within the next 60 days that would constitute a CBO?

☐ Yes ☒ No *If YES, attach list of persons

Are there any other Persons, other than those listed in the Ownership Structure, that can Control the RMB?

☐ Yes ☒ No *If YES, attach list of persons

Indirect Financial Interest Holder - List those with 2 or more interests (PBO, lease, Intellectual Property agreements, finance and/or equipment lease agreements, etc.) or loans that are 50% or more of the operating capital as defined in Rule 2-230(A)(3).


Name of Interest Holder	Date of Birth	FEIN/SSN
N/A		
Address		
List Types of Interests		
Name of Interest Holder	Date of Birth	FEIN/SSN
Address		
List Types of Interests		
Name of Interest Holder	Date of Birth	FEIN/SSN
Address		
List Types of Interests		
Name of Interest Holder	Date of Birth	FEIN/SSN
Address		
List Types of Interests		

Affirmation & Consent

I/We, Dustin E Chavez, as an owner(s) for the applicant business, state under penalty for offering a false instrument for recording pursuant to 18-5-114 C.R.S. that the entire Change of Controlling Beneficial Owner License Application statements, attachments, and supporting schedules are true and correct to the best of my/our knowledge and belief, and that this statement is executed with the knowledge that misrepresentation or failure to reveal information requested may be deemed sufficient cause for the refusal to issue a Marijuana license by the State Licensing Authority. Further, I/We am/are aware that later discovery of an omission or misrepresentation made in the above statements may be grounds for denial of the marijuana business application. I/We am/are voluntarily submitting this application to the Colorado Marijuana Licensing Authority, under oath, with full knowledge that I/We may be charged with perjury or other crimes for intentional omissions and misrepresentations pursuant to Colorado law or for offering a false instrument for recording pursuant to 18-5-114 C.R.S. I/We further consent to any background investigation necessary to determine my/our present and continuing suitability and that this consent continues as long as I/We hold a Colorado Marijuana License.

Note: If your check is rejected due to insufficient or uncollected funds, the Department of Revenue may collect the payment amount directly from your banking account(s) electronically.

Print Full Legal Name of Owner clearly below:

Applicant's Legal Business Name SL ADAMS LLC		Trade Name (DBA) Snaxland	
Last Name of Owner (Please Print) Chavez	First Name of Owner Dustin	Middle Name of Owner Edward	
Signature 		REQUIRED	Date 04/25/2024
Last Name of Owner (Please Print)		First Name of Owner	Middle Name of Owner
Signature		Date	
Last Name of Owner (Please Print)		First Name of Owner	Middle Name of Owner
Signature		Date	
Last Name of Owner (Please Print)		First Name of Owner	Middle Name of Owner
Signature		Date	

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Note: If there are more than four (4) owners, please use a second Affirmation & Consent page (page 7 of 15).

Tax Check Authorization and Request To Release Information


I Dustin E Chavez am signing this waiver on behalf of SL ADAMS LLC (the "Applicant/Licensee") to permit the Colorado Department of Revenue and any other state or local taxing authority to release information and documents that would otherwise be confidential. If I am signing this waiver for someone other than myself, I certify that I have the authority to execute this waiver on behalf of the Applicant/Licensee.

The information and documentation obtained pursuant to this waiver will be used in connection with the Applicant/Licensee's application or licensure with the Colorado Marijuana Enforcement Division, which requires proof of compliance with certain tax obligations pursuant to several statutory provisions, including sections 44-10-202(1) and 44-10-307(1)(e) C.R.S. This waiver is made pursuant to section 39-21-113(4), C.R.S.; and any other similar law or ordinance concerning the confidentiality of tax returns and return information. This waiver shall be valid while the application is pending and, if the application is approved, (1) for one year from the date of licensure or; (2) if applying for an employee license under the medical marijuana code, for two years from the date of licensure. If the license is administratively continued pursuant to section 44-10-314, C.R.S., this waiver shall be valid until the state licensing authority takes final action to approve or deny the renewal of the license. Applicant/Licensee agrees to execute a new waiver for each subsequent licensing period in connection with the renewal of any license.

Applicant/Licensee requests that the Colorado Department of Revenue and any other state or local taxing authority release the following information and supporting documentation to the Colorado Marijuana Enforcement Division, which is acting as Applicant's/Licensee's duly authorized representative under section 39-21-113(4), C.R.S., solely to obtain the information specified below.

1. Whether the Applicant/Licensee has failed to file any state tax return with the Colorado Department of Revenue or any other state or local taxing authority by the required due date (determined with regard to any extension(s) of time for filing) for any tax year for which filing of a return might have been required.
2. Whether the Applicant/Licensee has failed to pay any tax, penalty, or interest liability within 30 days of the date on which the Colorado Department of Revenue or any other state or local taxing authority gave notice of the amount due and requested payment.
3. Whether the Applicant/Licensee has entered into a payment plan with the Colorado Department of Revenue or any other state or local taxing authority and whether Applicant/Licensee is current on any payments required by said payment plan.

Applicant/Licensee authorizes the Colorado Department of Revenue and any other state or local taxing authority to release any additional information or documentation necessary to answer the questions above. Applicant/Licensee authorizes the Colorado Marijuana Enforcement Division and its legal representatives to use the information and documentation obtained from the Colorado Department of Revenue and any other state or local taxing authority in any administrative action regarding the application or license. To assist the Colorado Department of Revenue and any other state or local taxing authority locate the tax records, Applicant/Licensee is voluntarily providing the following information (please type or print).

Applicant's Name (Individual/Business) Dustin Chavez / SL ADAMS LLC		Social Security Number/Tax Identification Number [REDACTED]	
Street Address 4600 W Evans Ave		City Denver	CO 80219
[REDACTED]		Business/Work Telephone Number 303-704-2973	
Legal Last Name (Please Print) Chavez	Legal First Name Dustin	Full Middle Name Edward	
Applicant's Signature 		Date 04/25/2024	

THIS FORM MUST BE SIGNED IN ADOBE ACROBAT PRO OR READER


REQUIRED

Investigation Authorization/Authorization to Release Information

I, Dustin E Chavez, hereby authorize the Colorado Marijuana Licensing Authority, the Marijuana Enforcement Division, (hereafter, the Investigatory Agencies) to conduct a complete investigation into my personal background, using whatever legal means they deem appropriate. I hereby authorize any person or entity contacted by the Investigatory Agencies to provide any and all such information deemed necessary by the Investigatory Agencies. I hereby waive any rights of confidentiality in this regard. I understand that by signing this authorization, a financial record check may be performed. I authorize any financial institution to surrender to the Investigatory Agencies a complete and accurate record of such transactions that may have occurred with that institution, including, but not limited to, internal banking memoranda, past and present loan applications, financial statements and any other documents relating to my personal or business financial records in whatever form and wherever located. I authorize the release of this type of information, even though such information may be designated as "confidential" or "nonpublic" under the provisions of state or federal laws. I understand that by signing this authorization, a criminal history check will be performed. I authorize the Investigatory Agencies to obtain and use from any source, any information concerning me contained in any type of criminal history record files, wherever located. I understand that the criminal history record files contain records of arrests which may have resulted in a disposition other than a finding of guilt (i.e., dismissed charges, or charges that resulted in a not guilty finding). I understand that the information may contain listings of charges that resulted in suspended imposition of sentence, even though I successfully completed the conditions of said sentence and was discharged pursuant to law. I authorize the release of this type of information, even though this record may be designated as "confidential" or "nonpublic" under the provisions of state or federal laws.

The Investigatory Agencies reserve the right to investigate all relevant information and facts to their satisfaction. I understand that the Investigatory Agencies may conduct a complete and comprehensive investigation to determine the accuracy of all information gathered. However, the State of Colorado, Investigatory Agencies, and other agents or employees of the State of Colorado shall not be held liable for the receipt, use, or dissemination of inaccurate information. I, on behalf of the applicant, its legal representatives, and assigns, hereby release, waive, discharge, and agree to hold harmless, and otherwise waive liability as to the State of Colorado, Investigatory Agencies, and other agents or employees of the State of Colorado for any damages resulting from any use, disclosure, or publication in any manner, other than a willfully unlawful disclosure or publication, of any material or information acquired during inquiries, investigations, or hearings, and hereby authorize the lawful use, disclosure, or publication of this material or information. Any information contained within my application, contained within any financial or personnel record, or otherwise found, obtained, or maintained by the Investigatory Agencies, shall be accessible to law enforcement agents of this or any other state, the government of the United States, or any foreign country.


Print Full Legal Name of Owner clearly below:

Applicant's Legal Business Name SL ADAMS LLC		Trade Name (DBA) Snaxland
Last Name of Owner (Please Print) Chavez	First Name of Owner Dustin	Middle Name of Owner Edward
Signature 		Date 04/25/2024

THIS FORM MUST BE SIGNED BY AN APPROVED PRO OR READER **REQUIRED**

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Applicant's Request to Release Information

TO: (Leave this Blank)		FROM: (Applicant's Printed Name) Dustin E Chavez	
<ol style="list-style-type: none"> 1. I/We hereby authorize and request all persons to whom this request is presented having information relating to or concerning the above named applicant to furnish such information to a duly appointed agent of the Marijuana Enforcement Division whether or not such information would otherwise be protected from the disclosure by any constitutional, statutory or common law privilege. 2. I/We hereby authorize and request all persons to whom this request is presented having documents relating to or concerning the above named applicant to permit a duly appointed agent of the Marijuana Enforcement Division to review and copy any such documents, whether or not such documents would otherwise be protected from disclosure by any constitutional, statutory, or common law privilege. 3. If the person to whom this request is presented is a brokerage firm, bank, savings and loan, or other financial institution or an officer of the same, I/we hereby authorize and request that a duly appointed agent of the Marijuana Enforcement Division be permitted to review and obtain copies of any and all documents, records or correspondence pertaining to me/us, including but not limited to past loan information, notes co-signed by me/us, checking account records, savings deposit records, safe deposit box records, passbook records, and general ledger folio sheets. 4. I/We do hereby make, constitute, and appoint any duly appointed agent of the Colorado Marijuana Enforcement Division, my/our true and lawful attorney in fact for me/us in my/our name, place, stead, and on my/our behalf and for my/our use and benefit: <ol style="list-style-type: none"> (a) To request, review, copy sign for, or otherwise act for investigative purposes with respect to documents and information in the possession of the person to whom this request is presented as I/we might; (b) To name the person or entity to whom this request is presented and insert that person's name in the appropriate location in this request: (c) To place the name of the agent presenting this request in the appropriate location on this request. 5. I grant to said attorney in fact full power and authority to do, take, and perform all and every act and thing whatsoever requisite, proper, or necessary to be done, in the exercise of any of the rights and powers herein granted, as fully to all intents and purposes as I/we might or could do if personally present, with full power of substitution or revocation, hereby ratifying and confirming all that said attorney in fact, or his substitute or substitutes, shall lawfully do or cause to be done by virtue of this power of attorney and the rights and powers herein granted. 6. This power of attorney ends twenty-four (24) months from the date of execution. 7. The above named applicant has filed with the Colorado Marijuana Licensing Authority an application for a Marijuana license. Said applicant understands that it is seeking the granting of a privilege and acknowledges that the burden of proving its qualifications for a favorable determination is at all times on the applicant. 8. I/We do, for myself/ourselves, my/our heirs, executors, administrators, successors, and assigns, hereby release, remise, and forever discharge the person to whom this request is presented, and his agents and employees from all and all manner or actions, causes of action, suits, debts, judgments, executions, claims, and demands whatsoever, known or unknown, in law or equity, which the applicant ever had, now has, may have, or claims to have against the person to whom this request is being presented or his agents or employees arising out of or by reason of complying with the request. 9. A reproduction of this request by photocopying or similar process shall be for all intents and purposes as valid as the original. 			
Applicant's Legal Business Name <div style="text-align: center;">SL ADAMS LLC</div>			
Trade Name (DBA) <div style="text-align: center;">Snaxland</div>			
Applicant's Last Name (Please Print) <div style="text-align: center;">Chavez</div>		First Name <div style="text-align: center;">Dustin</div>	
Signature 		Full Middle Name <div style="text-align: center;">Edward</div>	
Date <div style="text-align: center;">04/25/2024</div>		<div style="border: 1px solid black; padding: 2px; display: inline-block; color: white; background-color: red;">REQUIRED</div>	

THIS FORM MUST BE SIGNED BY A ROBOT PRO OR READER

AFFIRMATION OF REASONABLE CARE – PRIVATE COMPANY

Pursuant to subsections 44-10-309(4) C.R.S. and Rule 2-230(D), Applicant or Licensee affirms that, prior to submission of this application, it exercised reasonable care to confirm its Passive Beneficial Owners, (including any Qualified Institutional Investors) and Indirect Financial Interest Holders, are not Persons prohibited from being issued or holding a license by section 44-10-307 C.R.S., or otherwise restricted from holding an interest under the Colorado Regulated Marijuana Business Code. An Applicant's or Licensee's failure to exercise reasonable care is a basis for denial, fine, suspension, revocation or other sanction by the State Licensing Authority.

I, Dustin E Chavez, as Controlling Beneficial Owner or Manager for
Print

SL ADAMS LLC, state under penalty of perjury, pursuant to §18-8-503, that the foregoing is true and correct to the best of my knowledge, information and belief.

Signature



Date

04/25/2024

AFFIRMATION OF REASONABLE CARE – PUBLICLY TRADED CORPORATION

Pursuant to subsections 44-10-309(5) C.R.S. and Rule 2-230(D), Applicant or Licensee affirms that, prior to submission of this application, it exercised reasonable care to confirm its Non-objecting Passive Beneficial Owner, (including any Qualified Institutional Investors) and Indirect Financial Interest Holders, are not Persons prohibited from being issued or holding a license by section 44-10-307 C.R.S., or otherwise restricted from holding an interest under the Colorado Regulated Marijuana Business Code. An Applicant's or Licensee's failure to exercise reasonable care is a basis for denial, fine, suspension, revocation or other sanction by the State Licensing Authority.

I, _____, as Controlling Beneficial Owner or Manager for
Print

_____, state under penalty of perjury, pursuant to §18-8-503, that the foregoing is true and correct to the best of my knowledge, information and belief.

Signature

Date

Affirmation & Consent

I/We, Gary Schwartz, as an owner(s) for the applicant business, state under penalty for offering a false instrument for recording pursuant to 18-5-114 C.R.S. that the entire Change of Controlling Beneficial Owner License Application statements, attachments, and supporting schedules are true and correct to the best of my/our knowledge and belief, and that this statement is executed with the knowledge that misrepresentation or failure to reveal information requested may be deemed sufficient cause for the refusal to issue a Marijuana license by the State Licensing Authority. Further, I/We am/are aware that later discovery of an omission or misrepresentation made in the above statements may be grounds for denial of the marijuana business application. I/We am/are voluntarily submitting this application to the Colorado Marijuana Licensing Authority, under oath, with full knowledge that I/We may be charged with perjury or other crimes for intentional omissions and misrepresentations pursuant to Colorado law or for offering a false instrument for recording pursuant to 18-5-114 C.R.S. I/We further consent to any background investigation necessary to determine my/our present and continuing suitability and that this consent continues as long as I/We hold a Colorado Marijuana License.

Note: If your check is rejected due to insufficient or uncollected funds, the Department of Revenue may collect the payment amount directly from your banking account(s) electronically.

Print Full Legal Name of Owner clearly below:

Applicant's Legal Business Name JW Colorado LLC		Trade Name (DBA) Tweedleaf	
Last Name of Owner (Please Print) Schwartz		First Name of Owner Gary	Middle Name of Owner Michael
Signature Gary Schwartz		Date 4/23/2024	
Last Name of Owner (Please Print)		First Name of Owner	Middle Name of Owner
Signature		Date	
Last Name of Owner (Please Print)		First Name of Owner	Middle Name of Owner
Signature		Date	
Last Name of Owner (Please Print)		First Name of Owner	Middle Name of Owner
Signature		Date	

Confidential Document: This document is the property of the Colorado Marijuana State Licensing Authority and the Colorado Marijuana Enforcement Division, and is provided for Official Use Only. This document may not be further reproduced nor its contents disclosed without the written permission of the Division or State Licensing Authority.

Note: If there are more than four (4) owners, please use a second Affirmation & Consent page (page 7 of 15).

Tax Check Authorization and Request To Release Information

I Gary Schwartz am signing this waiver on behalf of JW Colorado LLC (the "Applicant/Licensee") to permit the Colorado Department of Revenue and any other state or local taxing authority to release information and documents that would otherwise be confidential. If I am signing this waiver for someone other than myself, I certify that I have the authority to execute this waiver on behalf of the Applicant/Licensee.

The information and documentation obtained pursuant to this waiver will be used in connection with the Applicant/Licensee's application or licensure with the Colorado Marijuana Enforcement Division, which requires proof of compliance with certain tax obligations pursuant to several statutory provisions, including sections 44-10-202(1) and 44-10-307(1)(e) C.R.S. This waiver is made pursuant to section 39-21-113(4), C.R.S.; and any other similar law or ordinance concerning the confidentiality of tax returns and return information. This waiver shall be valid while the application is pending and, if the application is approved, (1) for one year from the date of licensure or; (2) if applying for an employee license under the medical marijuana code, for two years from the date of licensure. If the license is administratively continued pursuant to section 44-10-314, C.R.S., this waiver shall be valid until the state licensing authority takes final action to approve or deny the renewal of the license. Applicant/Licensee agrees to execute a new waiver for each subsequent licensing period in connection with the renewal of any license.

Applicant/Licensee requests that the Colorado Department of Revenue and any other state or local taxing authority release the following information and supporting documentation to the Colorado Marijuana Enforcement Division, which is acting as Applicant's/Licensee's duly authorized representative under section 39-21-113(4), C.R.S., solely to obtain the information specified below.

1. Whether the Applicant/Licensee has failed to file any state tax return with the Colorado Department of Revenue or any other state or local taxing authority by the required due date (determined with regard to any extension(s) of time for filing) for any tax year for which filing of a return might have been required.
2. Whether the Applicant/Licensee has failed to pay any tax, penalty, or interest liability within 30 days of the date on which the Colorado Department of Revenue or any other state or local taxing authority gave notice of the amount due and requested payment.
3. Whether the Applicant/Licensee has entered into a payment plan with the Colorado Department of Revenue or any other state or local taxing authority and whether Applicant/Licensee is current on any payments required by said payment plan.

Applicant/Licensee authorizes the Colorado Department of Revenue and any other state or local taxing authority to release any additional information or documentation necessary to answer the questions above. Applicant/Licensee authorizes the Colorado Marijuana Enforcement Division and its legal representatives to use the information and documentation obtained from the Colorado Department of Revenue and any other state or local taxing authority in any administrative action regarding the application or license. To assist the Colorado Department of Revenue and any other state or local taxing authority locate the tax records, Applicant/Licensee is voluntarily providing the following information (please type or print).

Applicant's Name (Individual/Business) Gary Schwartz / JW Colorado LLC		Social Security Number/Tax ID [REDACTED]	
[REDACTED]		City Denver	State/Prov CO
		ZIP Code 80202	
		Business/Work Telephone Number 303-895-5432	
Legal Last Name (Please Print) Schwartz	Legal First Name Gary	Full Middle Name Michael	
Applicant's Signature Gary Schwartz		Date 4/23/2024	

THIS FORM MUST BE SIGNED IN ADOBE ACROBAT PRO OR READER

REQUIRED

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Investigation Authorization/Authorization to Release Information

I, Gary Schwartz, hereby authorize the Colorado Marijuana Licensing Authority, the Marijuana Enforcement Division, (hereafter, the Investigatory Agencies) to conduct a complete investigation into my personal background, using whatever legal means they deem appropriate. I hereby authorize any person or entity contacted by the Investigatory Agencies to provide any and all such information deemed necessary by the Investigatory Agencies. I hereby waive any rights of confidentiality in this regard. I understand that by signing this authorization, a financial record check may be performed. I authorize any financial institution to surrender to the Investigatory Agencies a complete and accurate record of such transactions that may have occurred with that institution, including, but not limited to, internal banking memoranda, past and present loan applications, financial statements and any other documents relating to my personal or business financial records in whatever form and wherever located. I authorize the release of this type of information, even though such information may be designated as "confidential" or "nonpublic" under the provisions of state or federal laws. I understand that by signing this authorization, a criminal history check will be performed. I authorize the Investigatory Agencies to obtain and use from any source, any information concerning me contained in any type of criminal history record files, wherever located. I understand that the criminal history record files contain records of arrests which may have resulted in a disposition other than a finding of guilt (i.e., dismissed charges, or charges that resulted in a not guilty finding). I understand that the information may contain listings of charges that resulted in suspended imposition of sentence, even though I successfully completed the conditions of said sentence and was discharged pursuant to law. I authorize the release of this type of information, even though this record may be designated as "confidential" or "nonpublic" under the provisions of state or federal laws.

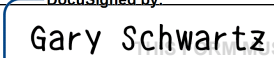
The Investigatory Agencies reserve the right to investigate all relevant information and facts to their satisfaction. I understand that the Investigatory Agencies may conduct a complete and comprehensive investigation to determine the accuracy of all information gathered. However, the State of Colorado, Investigatory Agencies, and other agents or employees of the State of Colorado shall not be held liable for the receipt, use, or dissemination of inaccurate information. I, on behalf of the applicant, its legal representatives, and assigns, hereby release, waive, discharge, and agree to hold harmless, and otherwise waive liability as to the State of Colorado, Investigatory Agencies, and other agents or employees of the State of Colorado for any damages resulting from any use, disclosure, or publication in any manner, other than a willfully unlawful disclosure or publication, of any material or information acquired during inquiries, investigations, or hearings, and hereby authorize the lawful use, disclosure, or publication of this material or information. Any information contained within my application, contained within any financial or personnel record, or otherwise found, obtained, or maintained by the Investigatory Agencies, shall be accessible to law enforcement agents of this or any other state, the government of the United States, or any foreign country.

Print Full Legal Name of Owner clearly below:

Applicant's Legal Business Name <div style="text-align: center;">JW Colorado LLC</div>		Trade Name (DBA) <div style="text-align: center;">Tweedleaf</div>	
Last Name of Owner (Please Print) <div style="text-align: center;">Schwartz</div>	First Name of Owner <div style="text-align: center;">Gary</div>	Middle Name of Owner <div style="text-align: center;">Michael</div>	
Signature <div style="text-align: center;">Gary Schwartz</div>	REQUIRED		Date <div style="text-align: center;">4/23/2024</div>

Confidential Document: This document is the property of the Colorado Marijuana State Licensing Authority and the Colorado Marijuana Enforcement Division, and is provided for Official Use Only. This document may not be further reproduced nor its contents disclosed without the written permission of the Division or State Licensing Authority.

Applicant's Request to Release Information

TO: (Leave this Blank)		FROM: (Applicant's Printed Name) Gary Schwartz	
<ol style="list-style-type: none"> 1. I/We hereby authorize and request all persons to whom this request is presented having information relating to or concerning the above named applicant to furnish such information to a duly appointed agent of the Marijuana Enforcement Division whether or not such information would otherwise be protected from the disclosure by any constitutional, statutory or common law privilege. 2. I/We hereby authorize and request all persons to whom this request is presented having documents relating to or concerning the above named applicant to permit a duly appointed agent of the Marijuana Enforcement Division to review and copy any such documents, whether or not such documents would otherwise be protected from disclosure by any constitutional, statutory, or common law privilege. 3. If the person to whom this request is presented is a brokerage firm, bank, savings and loan, or other financial institution or an officer of the same, I/we hereby authorize and request that a duly appointed agent of the Marijuana Enforcement Division be permitted to review and obtain copies of any and all documents, records or correspondence pertaining to me/us, including but not limited to past loan information, notes co-signed by me/us, checking account records, savings deposit records, safe deposit box records, passbook records, and general ledger folio sheets. 4. I/We do hereby make, constitute, and appoint any duly appointed agent of the Colorado Marijuana Enforcement Division, my/our true and lawful attorney in fact for me/us in my/our name, place, stead, and on my/our behalf and for my/our use and benefit: <ol style="list-style-type: none"> (a) To request, review, copy sign for, or otherwise act for investigative purposes with respect to documents and information in the possession of the person to whom this request is presented as I/we might; (b) To name the person or entity to whom this request is presented and insert that person's name in the appropriate location in this request: (c) To place the name of the agent presenting this request in the appropriate location on this request. 5. I grant to said attorney in fact full power and authority to do, take, and perform all and every act and thing whatsoever requisite, proper, or necessary to be done, in the exercise of any of the rights and powers herein granted, as fully to all intents and purposes as I/we might or could do if personally present, with full power of substitution or revocation, hereby ratifying and confirming all that said attorney in fact, or his substitute or substitutes, shall lawfully do or cause to be done by virtue of this power of attorney and the rights and powers herein granted. 6. This power of attorney ends twenty-four (24) months from the date of execution. 7. The above named applicant has filed with the Colorado Marijuana Licensing Authority an application for a Marijuana license. Said applicant understands that it is seeking the granting of a privilege and acknowledges that the burden of proving its qualifications for a favorable determination is at all times on the applicant. 8. I/We do, for myself/ourselves, my/our heirs, executors, administrators, successors, and assigns, hereby release, remise, and forever discharge the person to whom this request is presented, and his agents and employees from all and all manner or actions, causes of action, suits, debts, judgments, executions, claims, and demands whatsoever, known or unknown, in law or equity, which the applicant ever had, now has, may have, or claims to have against the person to whom this request is being presented or his agents or employees arising out of or by reason of complying with the request. 9. A reproduction of this request by photocopying or similar process shall be for all intents and purposes as valid as the original. 			
Applicant's Legal Business Name JW Colorado LLC			
Trade Name (DBA) Tweedleaf			
Applicant's Last Name (Please Print) Schwartz		First Name Gary	
Full Middle Name Michael		Date 4/23/2024	
Signature Gary Schwartz		<div style="text-align: center;">  </div>	

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AFFIRMATION OF REASONABLE CARE – PRIVATE COMPANY

Pursuant to subsections 44-10-309(4) C.R.S. and Rule 2-230(D), Applicant or Licensee affirms that, prior to submission of this application, it exercised reasonable care to confirm its Passive Beneficial Owners, (including any Qualified Institutional Investors) and Indirect Financial Interest Holders, are not Persons prohibited from being issued or holding a license by section 44-10-307 C.R.S., or otherwise restricted from holding an interest under the Colorado Regulated Marijuana Business Code. An Applicant’s or Licensee’s failure to exercise reasonable care is a basis for denial, fine, suspension, revocation or other sanction by the State Licensing Authority.

I, Gary Schwartz, as Controlling Beneficial Owner or Manager for
Print

JW Colorado LLC, state under penalty of perjury, pursuant to §18-8-503, that the foregoing is true and correct to the best of my knowledge, information and belief.

DocuSigned by:	
Signature	Date
<u>Gary Schwartz</u> E4D71545312941C...	4/23/2024

AFFIRMATION OF REASONABLE CARE – PUBLICLY TRADED CORPORATION

Pursuant to subsections 44-10-309(5) C.R.S. and Rule 2-230(D), Applicant or Licensee affirms that, prior to submission of this application, it exercised reasonable care to confirm its Non-objecting Passive Beneficial Owner, (including any Qualified Institutional Investors) and Indirect Financial Interest Holders, are not Persons prohibited from being issued or holding a license by section 44-10-307 C.R.S., or otherwise restricted from holding an interest under the Colorado Regulated Marijuana Business Code. An Applicant’s or Licensee’s failure to exercise reasonable care is a basis for denial, fine, suspension, revocation or other sanction by the State Licensing Authority.

I, _____, as Controlling Beneficial Owner or Manager for
Print

_____, state under penalty of perjury, pursuant to §18-8-503, that the foregoing is true and correct to the best of my knowledge, information and belief.

Signature	Date
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Addendum A - Change of CBO Application

Publicly Traded Company (PTC)

Please provide:

Stock Trading Symbol N/A	Name of Exchange(s) Traded On	NAICS/SIC Code
Identify all regulatory agencies with oversight over the PTC's securities		
Reporting agencies required reports submitted on:		
Provide a list of any privileged or professional licenses, with license numbers, you have held within the last three (3) years prior to the submission of the finding of suitability request. List those that were issued by the Colorado Department of Revenue or the Department of Regulatory Agencies, including all marijuana licenses. (Provide on a separate sheet)		
Date of Registration with the Department of Regulatory Agencies (DORA)		Number
Provide a description of the Publicly Traded Company's business and documents establishing the Publicly Traded Company (PTC) qualifies to hold a RMB license as referenced in 44-10-103(50).		
Description		
Attach a divestiture plan of any CBO that is prohibited by Section 44-10-307 that has had his or her Owner's License revoked or has been found unsuitable.		
Attach the most recent list of Non-Objecting Beneficial owners possessed by the PTC.		
Identify the type of permitted transaction, (i.e. Merger, Investment, or Public Offering) and attach all supporting documentation.		
Questions		
Confirm that the PTC is current with all required filings pursuant to any applicable requirements by any securities regulatory authority including, but not limited to, the United States Securities and Exchange Commission or the Canadian Securities Administrators. <input type="checkbox"/> All Current <input type="checkbox"/> Not Current (If not, explain on a separate sheet.)		
Confirm that all mandatory filings for CBO's as required by any securities regulatory authority, including, but not limited to the United States Securities and Exchange Commission or the Canadian Securities Administrators, have been filed and the MED has been provided concurrent notice with the filing. If No, explain on a separate sheet: <input type="checkbox"/> YES <input type="checkbox"/> NO		

Addendum B - Change of CBO Application

Qualified Private Fund (QPF)

Please provide:

Identify all regulatory agencies with oversight over the QPF's securities

N/A

Reporting agencies required reports submitted on:

Provide a list of any privileged or professional licenses, with license numbers, you have held within the last three (3) years prior to the submission of the finding of suitability request. List those that were issued by the Colorado Department of Revenue or the Department of Regulatory Agencies, including all marijuana licenses. (Provide on separate sheet)

Date of Registration with the Department of Regulatory Agencies (DORA)

Number

Provide a description of the QPF's business and documents establishing the QPF's qualifies to hold a RMB license.

Description

Questions

Confirm that the QPF is current with all required filings pursuant to any applicable requirements by any securities regulatory.

☐ All Current

☐ Not Current

If not, explain on a separate sheet.

Confirm that ALL required findings of suitability, including all QPF managers, investment advisers, investment adviser representatives, any trustee or equivalent, and any other person that controls the investment in, or management or operations of, the RMB, have been obtained PRIOR TO the QPF becoming effective. If No, explain on a separate sheet:

☐ YES

☐ NO

Addendum C - Change of CBO Application

Qualified Institutional Investor (QII)

Please provide

Identity(ies) of all Regulators with oversight over the QII's securities

N/A

Reporting agencies required reports submitted on

Provide a list of any privileged or professional licenses, with license numbers, you have held within the last three (3) years prior to the submission of the finding of suitability request. List those that were issued by the Colorado Department of Revenue or the Department of Regulatory Agencies, including all marijuana licenses. (Provide on separate sheet)

Date of Registration with the Department of Regulatory Agencies (DORA)	Number
--	--------

Provide a description of the QII's business and documents establishing the QII's qualifies to hold a RMB license.

Attach a divestiture plan of any CBO that is prohibited by Section 44-10-307 that has had his or her Owner's License revoked or has been found unsuitable.

Questions

1. Confirm that the QII is current with all required filings pursuant to any applicable requirements by any securities regulatory.

☐ Current

☐ Not Current

If Not Current, explain.

2. Confirm that ALL required findings of suitability including all QII managers, investment advisers, investment adviser representatives, any trustee or equivalent, and any other person that controls the investment in, or management or operations of, the RMB have been obtained PRIOR TO the QII becoming effective

☐ Yes ☐ No

Addendum D - Change of CBO Application

Mobile Hospitality Business Addendum

Identify vehicle used as licensed premises

Please provide:

Vehicle Make N/A	Vehicle Model	Vehicle Year
License Plate Number	VIN	PUC Permit Number

1. Is the mobile premises compliant with all state and local registration and permitting requirements? ☐ Yes ☐ No

Provide the following:

- Documentation that the mobile licensed premises is owned or leased by the Marijuana Hospitality Business.
- The automatic Vehicle Identification Tag (if applicable).
- A copy of a valid permit issued by the Public Utilities Commission (PUC) to the licensed hospitality business.

By signing below, you affirm that the mobile licensed premises has or will have the following prior to operation:

- A global position system for tracking of the mobile licensed premises.
- Written standard operating procedures that address the logging of the route(s).
- Video surveillance inside of the licensed premises, including entry and exit points to the mobile licensed premises and the driver's area of the vehicle.
- Proper ventilation within the vehicle, which includes, if marijuana is smoked or vaped in the licensed premises, that air is not circulated into the driver's area of the licensed premises.
- Policies and procedures to ensure that no Regulated Marijuana is possessed or consumed in the area designated to seat the driver and front seat passenger in the licensed premises.
- Methods to ensure consumption activity is not visible outside the vehicle.
- Policies, procedures or other measures to ensure that consumers are prohibited from entering the driver's area of the mobile licensed premises.
- The Marijuana Hospitality Business license is displayed on the dashboard of the mobile licensed premises.

Last Name	First Name	Middle Name
Signature		Date

SL Adams, LLC

402R-00807

Organizational Chart

Dustin Edward Chavez 100%

OFFICE OF THE SECRETARY OF STATE
OF THE STATE OF COLORADO

CERTIFICATE OF FACT OF GOOD STANDING

I, Jena Griswold, as the Secretary of State of the State of Colorado, hereby certify that, according to the records of this office,

SL Adams, LLC

is a

Limited Liability Company

formed or registered on 03/07/2024 under the law of Colorado, has complied with all applicable requirements of this office, and is in good standing with this office. This entity has been assigned entity identification number 20241281790 .

This certificate reflects facts established or disclosed by documents delivered to this office on paper through 05/01/2024 that have been posted, and by documents delivered to this office electronically through 05/04/2024 @ 20:20:15 .

I have affixed hereto the Great Seal of the State of Colorado and duly generated, executed, and issued this official certificate at Denver, Colorado on 05/04/2024 @ 20:20:15 in accordance with applicable law. This certificate is assigned Confirmation Number 16008567 .



Secretary of State of the State of Colorado

*****End of Certificate*****

Notice: A certificate issued electronically from the Colorado Secretary of State's website is fully and immediately valid and effective. However, as an option, the issuance and validity of a certificate obtained electronically may be established by visiting the Validate a Certificate page of the Secretary of State's website, <https://www.coloradosos.gov/biz/CertificateSearchCriteria.do> entering the certificate's confirmation number displayed on the certificate, and following the instructions displayed. Confirming the issuance of a certificate is merely optional and is not necessary to the valid and effective issuance of a certificate. For more information, visit our website, <https://www.coloradosos.gov> click "Businesses, trademarks, trade names" and select "Frequently Asked Questions."

Limited Liability Company Agreement of SL Adams LLC
A Single Member Limited Liability Company

This Limited Liability Company Agreement ("Agreement") of SL Adams LLC, ("Company"), is executed and agreed to, for good and valuable consideration, by Dustin Chavez ("Member").

I. Formation.

- (a) **State of Formation.** This Agreement is for SL Adams LLC, a member-managed Colorado limited liability company formed under and pursuant to Colorado law.
- (b) **Operating Agreement Controls.** To the extent that the rights or obligations of the Member, or the Company under provisions of this Agreement differ from what they would be under Colorado law absent such a provision, this Agreement, to the extent permitted under Colorado law, shall control.
- (c) **Primary Business Address.** The location of the primary place of business of the Company is:

1155 S CHEROKEE ST, DENVER, Colorado 80223, or such other location as shall be selected from time to time by the Member.
- (d) **Registered Agent and Office.** The Company's initial agent ("Agent") for service of process is David Harter. The Agent's registered office is 1155 S Cherokee St, Denver, Colorado 80223. The Company may change its registered office, its registered agent, or both, upon filing a statement with the Colorado Secretary of State.
- (e) **No State Law Partnership.** No provisions of this Agreement shall be deemed or construed to constitute a partnership (including, without limitation, a limited partnership) or joint venture, or any Member a partner or joint venturer of or with any other Member, for any purposes other than state tax purposes.

II. Purposes and Powers.

- (a) **Purpose.** The Company is created for the following business purpose:

SL Adams LLC will be a retail recreational dispensary
- (b) **Powers.** The Company shall have all of the powers of a limited liability company set forth under Colorado law.
- (c) **Duration.** The Company's term shall commence upon the filing of an articles of organization and all other such necessary materials with the state of Colorado. The Company will operate until terminated as outlined in this Agreement unless:
 - (i) The Member vote unanimously to dissolve the Company;
 - (ii) No Member of the Company exists, unless the business of the Company is continued in a manner permitted by Colorado law;
 - (iii) It becomes unlawful for either the Member or the Company to continue in business;
 - (iv) A judicial decree is entered that dissolves the Company; or
 - (v) Any other event results in the dissolution of the Company under federal or Colorado law.

III. Member.

- (a) **Member.** The sole member of SL Adams LLC at the time of adoption of this Agreement is Dustin Chavez.
- (b) **Initial Contribution.** The Member shall make an initial contribution to the company. The initial contributions shall be as described in Attachment A, "Initial Contributions of the Member."

No Member shall be entitled to interest on their initial contribution. Except as expressly provided by this Agreement, or as required by law, no Member shall have any right to demand or receive the return of their initial contribution.

- (c) **Limited Liability of the Members.** Except as otherwise provided for in this Agreement or otherwise required by Colorado law, no Member shall be personally liable for any acts, debts, liabilities or obligations of the Company beyond their respective initial contribution. The Member shall look solely to the Company property for the return of their initial contribution, or value thereof, and if the Company property remaining after payment or discharge of the debts, liabilities or obligations of the Company is insufficient to return such initial contributions, or value thereof, no Member shall have any recourse against any other Member, if any other Member exists, except as is expressly provided for by this Agreement.
- (d) **Creation or Substitution of New Members.** Any Member may assign in whole or in part its membership interest only with the prior written consent of all Members.
 - (i) **Entire transfer.** If a Member transfers all of its membership interest, the transferee shall be admitted to the Company as a substitute Member upon its execution of an instrument signifying its Agreement to be bound by the terms and conditions of this Agreement. Such admission shall be deemed effective immediately upon the transfer, and, simultaneously, the transferor Member shall cease to be a Member of the Company and shall have no further rights or obligations under this Agreement.
 - (ii) **Partial transfer.** If a Member transfers only a portion of its Membership Interest, the transferee shall be admitted to the Company as an additional Member upon its execution of an instrument signifying its agreement to be bound by the terms and conditions of this Agreement.
 - (iii) **Voting.** Whether a substitute Member or an additional Member, absent the written consent of all existing Members of the Company, the transferee shall be a limited Member and possess only the percentage of the monetary rights of the transferor Member that was transferred without any voting power as a Member in the Company.
- (e) **Member Voting.**
 - (i) **Voting power.** In the event that the Company has multiple Members simultaneously, the Company's Members shall each have voting power equal to its share of Membership Interest in the Company.
- (f) **Member's Duties.** The Member shall cause the Company to do or cause to be done all things necessary to preserve and keep in full force and effect its existence, rights (charter and statutory), and franchises. The Member also shall cause the Company to:
 - (i) Maintain its own books, records, accounts, financial statements, stationery, invoices,

checks, and other limited liability company documents and bank accounts separate from any other person;

- (ii) At all times hold itself out as being a legal entity separate from the Member and any other person and conduct its business in its own name;
- (iii) File its own tax returns, if any, as may be required under applicable law, and pay any taxes required to be paid under applicable law;
- (iv) Not commingle its assets with assets of the Member or any other person, and separately identify, maintain, and segregate all Company assets;
- (v) Pay its own liabilities only out of its own funds, except with respect to organizational expenses;
- (vi) Maintain an arm's length relationship with the Member, and, with respect to all business transactions entered into by the Company with the Member, require that the terms and conditions of such transactions (including the terms relating to the amounts paid thereunder) are the same as would be generally available in comparable business transactions if such transactions were with a person that was not a Member;
- (vii) Pay the salaries of its own employees, if any, out of its own funds and maintain a sufficient number of employees in light of its contemplated business operations;
- (viii) Allocate fairly and reasonably any overhead for shared office space;
- (ix) Not pledge its assets for the benefit of any other person or make any loans or advances to any person;
- (x) Correct any known misunderstanding regarding its separate identity;
- (xi) Maintain adequate capital in light of its contemplated business purposes;
- (xii) Cause the Member to meet or act pursuant to written consent and keep minutes of such meetings and actions and observe all other Colorado limited liability company formalities;
- (xiii) Make any permitted investments directly or through brokers engaged and paid by the Company or its agents;
- (xiv) Not require any obligations or securities of the Member; and
- (xv) Observe all other limited liability formalities.

Failure of the Member to comply with any of the foregoing covenants shall not affect the status of the Company as a separate legal entity or the limited liability of the Member.

(g) Fiduciary Duties of the Members.

- (i) **Loyalty and Care.** Except to the extent otherwise provided herein, the Member shall have a fiduciary duty of loyalty and care similar to that of members of limited liability companies organized under the laws of Colorado.
- (ii) **Competition with the Company.** The Member shall refrain from dealing with the

Company in the conduct of the Company's business as or on behalf of a party having an interest adverse to the Company. The Member shall refrain from competing with the Company in the conduct of the Company's business.

- (iii) **Duties Only to the Company.** The Member's fiduciary duties of loyalty and care are to the Company and not to any future Members or officers. The Member shall owe fiduciary duties of disclosure, good faith, and fair dealing to the Company, but shall owe no such duties to the officers and to the other Members. A Member who so performs their duties shall not have any liability by reason of being or having been a Member.
- (iv) **Reliance on Reports.** In discharging the Member's duties, the Member is entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, if prepared or presented by any of the following:
 - 1. One or more other Members, in the event that the Company has multiple Members, officers, or employees of the Company whom the Member reasonably believes to be reliable and competent in the matters presented.
 - 2. Legal counsel, public accountants, or other persons as to matters the Member reasonably believes are within the persons' professional or expert competence.
 - 3. In the event that the Company has multiple Members, a committee of Members of which the affected Member is not a participant, if the Member reasonably believes the committee merits confidence.

IV. Accounting and Distributions.

- (a) **Fiscal Year.** The Company's fiscal year shall end on the last day of December.
- (b) **Distributions.** Distributions shall be issued, as directed by the Company's Treasurer or Assistant Treasurer, on a quarterly basis, based upon the Company's fiscal year. The distribution shall not exceed the remaining net cash of the Company after making appropriate provisions for the Company's ongoing and anticipatable liabilities and expenses. Each Member shall receive a percentage of the overall distribution that matches that Member's percentage of membership interest in the Company.

V. Tax Treatment Election.

- (a) **Tax Designation.** The Company has or will file with the Internal Revenue Service for treatment as a S-Corporation.

VI. Officers.

- (a) **Appointment and Titles of Officers.** The initial officers shall be appointed by the Member and shall consist of at least a Chairman, a Secretary and a Treasurer. Any additional or substitute officers shall be chosen by the Member. The Member may also choose one or more President, Vice-President, Assistant Secretaries and Assistant Treasurers. Any number of offices may be held by the same person, as permitted by Colorado law. The Member may appoint such other officers and agents as they shall deem necessary or advisable who shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Member. The officers and agents of the Company shall hold office until their successors are chosen and qualified. Any officer elected or appointed by the Member may be removed at any time, with or without cause, by the affirmative vote of a majority of the Member. Any vacancy occurring in any office of the Company shall be filled by the Member. Unless the

Member decide otherwise, if the title of an officer is one commonly used for officers of a limited liability company formed under Colorado law, the assignment of such title shall constitute the delegation to such person of the authorities and duties that are normally associated with that office.

- (i) **Chairman.** The Chairman shall be the chief executive officer of the Company, shall be responsible for the general and active management of the business of the Company and shall see that all orders and resolutions of the Members are carried into effect. The Chairman shall execute all contracts on behalf of the Company, except:
 - 1. Where required or permitted by law or this Agreement to be otherwise signed and executed;
 - 2. Where signing and execution thereof shall be expressly delegated by the Member to some other officer or agent of the Company.
- (ii) **President.** In the absence of the Chairman or in the event of the Chairman's inability to act, the President shall perform the duties of the Chairman, and when so acting, shall have all the powers of and be subject to all the restrictions upon the Chairman. The President shall perform such other duties and have such other powers as the Member may from time to time prescribe.
- (iii) **Vice-Presidents.** In the absence of the Chairman and President or in the event of their inability to act, any Vice-Presidents in the order designated by the Member (or, in the absence of any designation, in the order of their appointment by the Member) shall perform the duties of the Chairman, and when so acting, shall have all the powers of and be subject to all the restrictions upon the Chairman. Vice-Presidents, if any, shall perform such other duties and have such other powers as the Member may from time to time prescribe.
- (iv) **Secretary and Assistant Secretary.** The Secretary shall be responsible for filing legal documents and maintaining records for the Company. The Secretary shall attend and record all the proceedings of the meetings of the Company and of the Member in a book to be kept for that purpose. The Secretary shall perform such other duties as may be prescribed by the Member or the Chairman, under whose supervision the Secretary shall serve. The Secretary shall cause to be prepared such reports and/or information as the Company is required to prepare by applicable law, other than financial reports. The Assistant Secretary, or if there be more than one, the Assistant Secretaries in the order determined by the Member (or if there be no such determination, then in order of their appointment by the Member), shall, in the absence of the Secretary or in the event of the Secretary's inability to act, perform the duties and exercise the powers of the Secretary and shall perform such other duties and have such other powers as the Member may from time to time prescribe.
- (v) **Treasurer and Assistant Treasurer.** The Treasurer shall have the custody of the Company funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Company according to generally accepted accounting practices, using a fiscal year ending on the last day of the month of December. The Treasurer shall deposit all moneys and other valuable effects in the name and to the credit of the Company in such depositories as may be designated by the Member. The Treasurer shall distribute the Company's profits to the Member. The Treasurer shall disburse the funds of the Company as may be ordered by the Member and shall render to the Chairman and to the Member, at regular intervals or when the Member so requires, an account of all of the Treasurer's transactions and of the financial condition of the Company. As soon as practicable after the end of each fiscal year of the Company, the Treasurer shall prepare a statement of financial

condition as of the last day of the Company's fiscal year, and a statement of income and expenses for the fiscal year then ended, together with supporting schedules. Each of said annual statements shall be prepared on an income tax basis and delivered to the Member forthwith upon its preparation. In addition, the Treasurer shall keep all financial records required to be kept pursuant to _____ law. The Assistant Treasurer, or if there shall be more than one, the Assistant Treasurers in the order determined by the Member (or if there be no such determination, then in the order of their appointment), shall, in the absence of the Treasurer or in the event of the Treasurer's inability to act, perform the duties and exercise the powers of the Treasurer and shall perform such other duties and have such other powers as the Member may from time to time prescribe.

(b) **Officers as Agents.** The officers, to the extent of their powers set forth in this Agreement or otherwise vested in them by action of the Member not inconsistent with this Agreement, are agents of the Company for the purpose of the Company's business, and the actions of the officers taken in accordance with such powers shall bind the Company.

(c) **Fiduciary Duties of the Officers.**

(i) **Loyalty and Care.** Except to the extent otherwise provided herein, each officer shall have a fiduciary duty of loyalty and care similar to that of officers of limited liability companies organized under the laws of Colorado.

VII. Dissolution.

(a) **Limits on Dissolution.** The Company shall have a perpetual existence, and shall be dissolved, and its affairs shall be wound up only upon the provisions established above.

Notwithstanding any other provision of this Agreement, the bankruptcy of any Member shall not cause such Member to cease to be a Member of the Company and upon the occurrence of such an event, the business of the Company shall continue without dissolution.

Each Member waives any right that it may have to agree in writing to dissolve the Company upon the bankruptcy of any Member or the occurrence of any event that causes any Member to cease to be a Member of the Company.

(b) **Winding Up.** Upon the occurrence of any event specified in the earlier "Duration" section above, the Company shall continue solely for the purpose of winding up its affairs in an orderly manner, liquidating its assets, and satisfying the claims of its creditors. The Member, or in the event of multiple Members, one or more Members, selected by the remaining Members, shall be responsible for overseeing the winding up and liquidation of the Company, shall take full account of the liabilities of the Company and its assets, shall either cause its assets to be distributed as provided under this Agreement or sold, and if sold as promptly as is consistent with obtaining the fair market value thereof, shall cause the proceeds therefrom, to the extent sufficient therefor, to be applied and distributed as provided under this Agreement.

(c) **Distributions in Kind.** Any non-cash asset distributed to one or more Members in liquidation of the Company shall first be valued at its fair market value (net of any liability secured by such asset that such Member assumes or takes subject to) to determine the profits or losses that would have resulted if such asset were sold for such value, such profit or loss shall then be allocated as provided under this Agreement. The fair market value of such asset shall be determined by the Members or, if any Member objects, by an independent appraiser (any such appraiser must be recognized as an expert in valuing the type of asset involved) approved by the Members.

- (d) **Termination.** The Company shall terminate when (i) all of the assets of the Company, after payment of or due provision for all debts, liabilities and obligations of the Company, shall have been distributed to the Member in the manner provided for under this Agreement and (ii) the Company's registration with Colorado shall have been canceled in the manner required by Colorado law.
- (e) **Accounting.** Within a reasonable time after complete liquidation, the Company Treasurer shall furnish the Members with a statement which shall set forth the assets and liabilities of the Company as at the date of dissolution and the proceeds and expenses of the disposition thereof.
- (f) **Limitations on Payments Made in Dissolution.** Except as otherwise specifically provided in this Agreement, each Member shall only be entitled to look solely to the assets of the Company for the return of its initial contribution and shall have no recourse for its initial contribution and /or share of profits (upon dissolution or otherwise) against any other Member, if any other such Member exists.
- (g) **Notice to Colorado Authorities.** Upon the winding up of the Company, the Member with the highest percentage of membership interest in the Company shall be responsible for the filing of all appropriate notices of dissolution with Colorado and any other appropriate state or federal authorities or agencies as may be required by law.

VIII. Exculpation and Indemnification.

- (a) No Member, officer, employee, or agent of the Company and no employee, agent, or affiliate of a Member (collectively, the "Covered Persons") shall be liable to the Company or any other person who has an interest in or claim against the Company for any loss, damage or claim incurred by reason of any act or omission performed or omitted by such Covered Person in good faith on behalf of the Company and in a manner reasonably believed to be within the scope of the authority conferred on such Covered Person by this Agreement, except that a Covered Person shall be liable for any such loss, damage or claim incurred by reason of such Covered Person's gross negligence or willful misconduct.
- (b) To the fullest extent permitted by applicable law, a Covered Person shall be entitled to indemnification from the Company for any loss, damage, or claim incurred by such Covered Person by reason of any act or omission performed or omitted by such Covered Person in good faith on behalf of the Company and in a manner reasonably believed to be within the scope of the authority conferred on such Covered Person by this Agreement. Expenses, including legal fees, incurred by a Covered Person defending any claim, demand, action, suit, or proceeding shall be paid by the Company. The Covered Person shall be liable to repay such amount if it is determined that the Covered Person is not entitled to be indemnified as authorized in this Agreement. No Covered Person shall be entitled to be indemnified in respect of any loss, damage, or claim incurred by such Covered Person by reason of such Covered Person's gross negligence or willful misconduct with respect to such acts or omissions. Any indemnity under this Agreement shall be provided out of and to the extent of Company assets only.
- (c) A Covered Person shall be fully protected in relying in good faith upon the records of the Company and upon such information, opinions, reports or statements presented to the Company by any person as to matters the Covered Person reasonably believes are within such other person's professional or expert competence and who has been selected with reasonable care by or on behalf of the Company, including information, opinions, reports or statements as to the value and amount of the assets, liabilities, or any other facts pertinent to the existence and amount of assets from which distributions to the Member might properly be paid.

(d) To the extent that, at law or in equity, a Covered Person has duties (including fiduciary duties) and liabilities relating thereto to the Company or to any other Covered Person, a Covered Person acting under this Agreement shall not be liable to the Company or to any other Covered Person for its good faith reliance on the provisions of this Agreement. The provisions of the Agreement, to the extent that they restrict the duties and liabilities of a Covered Person otherwise existing at law or in equity, are agreed by the Member to replace such other duties and liabilities of such Covered Person.

(e) The foregoing provisions of this article shall survive any termination of this Agreement.

IX. Insurance.

The Company shall have the power to purchase and maintain insurance, including insurance on behalf of any Covered Person against any liability asserted against such person and incurred by such Covered Person in any such capacity, or arising out of such Covered Person's status as an agent of the Company, whether or not the Company would have the power to indemnify such person against such liability under the provisions of Article VIII or under applicable law.

X. General Provisions.

(a) **Notices.** All notices, offers or other communications required or permitted to be given pursuant to this Agreement shall be in writing and may be personally served or sent by United States mail and shall be deemed to have been given when delivered in person or three business days after deposit in United States mail, registered or certified, postage prepaid, and properly addressed, by or to the appropriate party.

(b) **Number of Days.** In computing the number of days (other than business days) for purposes of this Agreement, all days shall be counted, including Saturdays, Sundays and holidays; provided, however, that if the final day of any time period falls on a Saturday, Sunday or holiday on which national banks are or may elect to be closed, then the final day shall be deemed to be the next day which is not a Saturday, Sunday or such holiday.

(c) **Execution of Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be an original, and all of which shall together constitute one and the same instrument.

(d) **Severability.** The provisions of this Agreement are independent of and separable from each other, and no provision shall be affected or rendered invalid or unenforceable by virtue of the fact that for any reason any other or others of them may be invalid or unenforceable in whole or in part.

(e) **Headings.** The Article and Section headings in this Agreement are for convenience, and they form no part of this Agreement and shall not affect its interpretation.


(f) **Controlling Law.** This Agreement shall be governed by and construed in all respects in accordance with the laws of Colorado (without regard to conflicts of law principles thereof).

(g) **Application of State Law.** Any matter not specifically covered by a provision of this Agreement shall be governed by the applicable provisions of Colorado law.

(h) **Amendment.** This Agreement may be amended only by written consent of the Member. Upon obtaining the approval of any such amendment, supplement, or restatement as to the Certificate, the Company shall cause a Certificate of Amendment or Amended and Restated Certificate to be prepared, executed, and filed in accordance with Colorado law.

- (i) **Entire Agreement.** This Agreement contains the entire understanding among the parties hereto with respect to the subject matter hereof, and supersedes all prior and contemporaneous agreements and understandings, inducements or conditions, express or implied, oral or written, except as herein contained.

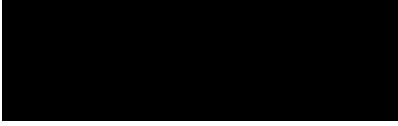
IN WITNESS WHEREOF, the Member has executed and agreed to this Limited Liability Company Operating Agreement, which shall be effective as of April 01, 2024.

By:  _____
Dustin Chavez

Date: 04/24/2024

Attachment A
Initial Contributions of the Member

The initial contributions of the Member of SL Adams LLC are as follows:



ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (this “**Agreement**”) dated April 9, 2024 2024 (the “**Contract Date**”), is hereby entered into by and between (i) Gary Schwartz, Betzer Call, Lausten & Schwartz, LLP, as receiver in El Paso County District Court Civil Action 2022CV031519 (“**Receivership Action**” and Mr. Schwartz the “**Receiver**”); (ii) JW Colorado, LLC, a Colorado limited liability company (hereinafter “**Seller**”); (iii) and SL Adams, LLC, a Colorado limited liability company (hereinafter “**Purchaser**”). Purchaser and Seller are each individually referred to as a “**Party**”, and collectively as the “**Parties**.”

RECITALS

A. On September 9, 2022, the District Court in El Paso Court granted Plaintiff’s Motion for Receiver (“**Receiver Appointment Order**”) over the assets of Seller, excluding all assets held in Las Animas County pursuant to a separate and distinct receivership appointment in Las Animas County District Court;

B. Receiver is the Court-appointed administrator of Seller in the Receivership Action. Seller is a licensed entity, holding a Retail Marijuana Store license and Adams County store license, currently held under suspension pursuant to an Order to Show Cause issued by the Colorado Attorney General’s Office;

C. Pursuant to the Receiver Appointment Order, Receiver will seek Court authority to effectuate the transfer of assets currently held in the Receivership Estate which it currently does not have, thus all agreements contained herein are contingent on required Court Order.

WHEREAS, Seller is the owner of assets used in connection with a retail marijuana store (the “**Business**”) licensed by the State of Colorado Marijuana Enforcement Division (the “**MED**”) and rights to the local licensing authority of Adams County, Colorado pursuant to a License Assignment resulting from a default by a third-party buyer, thus the Parties shall work in concert with Adams County Licensing (“**Adams County Licensing**”) to effectuate the transfer of the Adams County local license (“**Adams County License**”) to Purchaser. Seller’s operation is located at 6299 Federal Boulevard, Denver, Colorado 80221 (the “**Business Location**”). Seller leases the Business Location from LH2, LLC (the “**Landlord**”).

WHEREAS, Purchaser and Landlord have entered into a new lease agreement attached hereto as **EXHIBIT A**, whereby Purchaser’s lawful possession of the Business Location shall be conditioned on approval by the applicable Governmental Entities (as defined herein); and Court Order; and shall commence on the Closing Date;

WHEREAS, Seller desires to sell to Purchaser, and Purchaser desires to purchase from Seller, all right, title and interest in and to those certain assets relating to the ownership and operation of the Business in accordance with the terms and conditions set forth in this Agreement.

NOW, THEREFORE, the Parties hereby agree as follows in consideration of the mutual premises and covenants contained herein:

ARTICLE I

Purchase and Sale of Acquired Assets

SECTION 1.01. Purchase and Sale.

(a) Acquisition. At the Closing (as defined in Section 2.02), Seller shall sell to Purchaser, and Purchaser shall purchase from Seller, the Acquired Assets (as defined in Section 1.02(a)) in consideration for the payment of Five Hundred Thousand and 00/100 Dollars (USD \$500,000.00) (the “**Purchase Price**”) and other valuable consideration identified in this Agreement. The purchase and sale of the Acquired Assets is referred to in this Agreement as the “**Acquisition**.”

(b) Payment of Purchase Price. The Purchase Price shall be paid in the following manner: Upon execution, Purchaser shall remit One Hundred Thousand Dollars (\$100,000.00) (“**Initial Payment**”) pursuant to the terms of a Receiver’s Certificate as attached hereto as **EXHIBIT B** and executed by the Receiver (the “**Receiver’s Certificate**”). Within three (3) days of Seller receiving the Conditional Approval Letter and the Schedule A from the MED, the balance of Four Hundred Thousand Dollars (\$400,000.00)(the “**Closing Cash Consideration**”) shall be placed in escrow with Bland Law Offices, P.C. (“**Escrow Agent**”), and at Closing shall be released pursuant to written instructions signed by Purchaser and Seller to the Department of Revenue for purposes of payments pursuant to the Stipulation Agreement and Order (“**SAO**”) by and between the Receiver, on behalf of Seller, and the State Licensing Authority, with the remaining balance held in escrow to be released to Receiver on behalf of Seller. The Initial Payment shall be utilized as a credit towards the Purchase Price. Seller and Purchaser shall each be responsible for one half of the fees due to Escrow Agent.

SECTION 1.02. Acquired Assets and Excluded Assets.

(a) The term “**Acquired Assets**” means the following assets:

(i) Equipment. The equipment, tools, devices, goods, and other tangible personal property owned by Seller and used in the operation of the Business at the Business Location, which shall be conveyed “AS-IS”, with no warranty of fitness (collectively, the “**Equipment**”)

(ii) Marijuana Business Establishment Licenses. Seller’s right, title and interest in and to the following marijuana business establishment licenses issued by the respective state and local licensing authorities as set forth below and attached to this Agreement as Schedule 1.02(a)(iii) (collectively the “**Licenses**”):

(1) Retail Marijuana Store License 402R-00807 issued by MED; and

(2) Retail Marijuana Store License (pending) issued by Adams County Licensing.

(iii) Books and Records. The books and records of the Seller’s Business that are required by the MED and/or Adams County Licensing to be maintained at the Business Location related to the Seller’s Business;

(b) The term “**Excluded Assets**” means the following assets of Seller not identified in Section 1.02(a), and all rights of Seller under this Agreement and the other agreements and instruments executed and delivered in connection with this Agreement (the “**Ancillary Agreements**”):

(i) Accounts Receivable. All accounts receivable of the Seller’s Business, including, but not limited to, any proceeds from pending credit card or debit card transactions attributable to sales at the Seller’s Business prior to the Closing Date which have not been received by Seller as of the Closing Date.

(ii) Seller’s Security Deposit. Seller’s right to the return of any security deposit or refund by Landlord of any prepaid rent under Seller’s lease agreement for the Business Location.

(iii) Intellectual Property. All patents (including all reissues, divisions, continuations and extensions thereof), patent applications, patent rights, trademarks, copyrights including any such rights related to the Acquired Assets (including any extension thereof), rights to file such extensions or reversions therein, copyright registrations (including applications therefor or rights to apply therefor);

(iv) Books and Records. The books and records of the Seller's Business, with the exception of the Books and Records referenced in Section 1.02(a)(iii).

(v) Cash on Hand. Cash in Operating Accounts. All cash of Seller's Business, whether in Seller's operating accounts or cash on hand.

(vi) Landlord Property. Any personal property, fixtures, or equipment at the Business Location which are the property of the Landlord pursuant to Seller's lease.

SECTION 1.03. Allocation of Purchase Price. The Purchase Price shall be allocated to the Acquired Assets in accordance with Schedule 1.03.

ARTICLE II

The Closing

SECTION 2.01. Conditions to Closing. The Closing of this Agreement and the transfer of the Acquired Assets is subject to the satisfaction of the following conditions:

(a) Each Parties' respective representations and warranties contained in Articles III and IV will be true and correct on and as of the Closing as though made on and as of the Closing (other than those representations and warranties that speak to an earlier date), and those representations and warranties that speak to an earlier date will be true and correct as of the earlier date;

(b) The Parties' receipt of written approval of the Acquisition by the MED and issuance of the license by Adams County Licensing to Purchaser, to the extent such written approvals are required for the transfer of any of the Acquired Assets; and

(c) The Receiver has received required Court Approval in the Receivership Action of this Agreement;

(d) Purchaser's full execution of the titled "Attachment A", as required pursuant to the SAO entered into by and between the Receiver for Seller and the Colorado Department of Revenue, State Licensing Authority, Exhibit C, to be executed contemporaneously with this Agreement.

(e) The issuance by Adams County Licensing of regulated marijuana business licenses in the name of the Purchaser for the Purchaser's operation of the Business at the Business Location, and receipt of Conditional Approval by the MED pertaining to the state retail marijuana store license.

SECTION 2.02. Closing Date. The closing of the Acquisition (the "**Closing**") will take place remotely within five (5) days of receipt of (i) MED's Conditional Approval of Marijuana Change of Ownership ("**Conditional**

Approval”), (ii) approval from the Court in the Receivership Action approving the transaction, and (iii) issuance of the Adams County License to Purchaser. The Parties shall designate the date to submit to the MED supplying the date of final transfer and a copy of the Adams County license, with release of the Closing Cash Consideration pursuant to Section 1.01(b), *supra*. In the event the Adams County license is issued to Purchaser, but Purchaser refuses to execute the required Schedule A from the MED, Purchaser shall be liable for the balance of the Purchase Price.

SECTION 2.03. Transactions To Be Effected at the Closing. At the Closing:

(a) Seller shall deliver to Purchaser (i) such appropriately executed bills of sale, assignments, consents and other instruments of transfer relating to the Acquired Assets in form and substance reasonably satisfactory to Purchaser and its counsel, and (ii) such other documents to be delivered by Seller in accordance with the terms of Section 6.01.

(b) Purchaser shall deposit the Closing Cash Consideration as put forth in Section 1.01(b) via wire transfer, or other immediately available funds, and (ii) such other documents to be delivered by Purchaser in accordance with the terms of Section 6.02.

ARTICLE III

Representations and Warranties of Seller

Seller represents and warrants to Purchaser as of the date hereof, and as of the Closing Date, as follows:

SECTION 3.01. Organization, Standing and Power. Seller is duly organized, validly existing and in good standing under the laws of the state of its organization or formation and has full company power and authority and possesses all licenses, permits, authorizations and approvals necessary to enable it to own, lease, or otherwise hold its properties and assets, including the Acquired Assets, other than such licenses, permits, authorizations and approvals the lack of which, individually or in the aggregate, have not had and could not reasonably be expected to have a material adverse effect on the business, assets, condition (financial or otherwise), prospects or results of operations of Seller or of the Acquired Assets, or on the ability of Seller to perform its obligations under this Agreement and the Ancillary Agreements or to consummate the Acquisition and the other transactions contemplated hereby, subject to Court Order pertaining to the Receivership Appointment and subsequent Orders of the Court. Seller further represents it has provided the Settlement Agreement and Order related to the violations pertaining to the Acquired Assets, as put forth in Exhibit C.

SECTION 3.02. Authority; Execution and Delivery; Enforceability. The Receiver will obtain full power and authority to effectuate this Agreement and the Ancillary Agreements, on behalf of Seller, to consummate the Acquisition and the other transactions contemplated hereby and thereby. The execution and delivery by Seller of this Agreement and the Ancillary Agreements to which it is a party and the consummation by the Receiver on behalf of Seller of the Acquisition and the other transactions contemplated hereby and thereby will be duly authorized by all necessary Court approval.

SECTION 3.03. Title. Seller owns all the Acquired Assets free and clear of any and all liabilities, aside from tax liabilities put forth in Exhibit C, obligations, licenses, and commitments, and free and clear of all mortgages, liens, security interests, charges, easements, leases, subleases, covenants, rights of way, options, claims, restrictions, or encumbrances of any kind (collectively, “**Liens**”).

SECTION 3.04. No Conflicts; Consents. The execution and delivery by Seller of this Agreement and the Ancillary Agreements do not, and the consummation of the Acquisition, and the other transactions

contemplated hereby and thereby and compliance by Seller with the terms hereof and thereof, will not: (a) conflict with, or result in any violation of its organizational documents, or (b) result in the creation of any Lien upon the Acquired Assets. Other than the approvals required by the MED, Adams County Licensing, and the El Paso County Court, for the change of ownership of the Acquired Assets (including but not limited to the Licenses), to Seller's knowledge, no consent, approval, license, permit, order, or authorization ("**Consent**") of, or registration, declaration or filing with, any federal, state, local, or foreign government or any court of competent jurisdiction, administrative agency or commission or other governmental authority or instrumentality, domestic or foreign (a "**Governmental Entity**"), is required, except as put forth in Exhibit C, to be obtained or made by or with respect to a Seller in connection with (i) the execution, delivery and performance of this Agreement or any Ancillary Agreement or the consummation of the Acquisition or the other transactions contemplated hereby and thereby or (ii) the use of the Acquired Assets by Purchaser following the Closing as used on the date hereof.

SECTION 3.05. Contracts.

(a) Except for the SAO, Seller is not a party to or bound by any contract that is necessary for Purchaser's continued operation of the Business at the Business Location.

(b) Seller has performed all obligations required to be performed by it to date under the SAO, and it is not (with or without the lapse of time or the giving of notice, or both) in breach or default in any material respect thereunder and, to the knowledge of Seller, no other party to any contract is (with or without the lapse of time or the giving of notice, or both) in breach or default in any material respect thereunder.

SECTION 3.06. Sufficiency of Acquired Assets. The Acquired Assets (together with the Excluded Assets specified in Section 1.02(b)), comprise all the assets employed in connection with the Business at the Business Location. The Acquired Assets are sufficient for the operation of the Business at the Business Location immediately following the Closing in substantially the same manner as currently used.

SECTION 3.07. Taxes.

(a) For purposes of this Agreement:

"**Tax**" means (i) any tax, governmental fee, or other like assessment or charge of any kind whatsoever (including any tax imposed under Subtitle A of the Code and any net income, alternative or add-on minimum tax, gross income, gross receipts, sales, use, ad valorem, value added, transfer, franchise, profits, license, withholding tax on amounts paid, payroll, employment, excise, severance, stamp, capital stock, occupation, property, environmental or windfall profit tax, premium, custom, duty or other tax), together with any interest, penalty, addition to tax or additional amount due, imposed by any Governmental Entity (domestic or foreign) responsible for the imposition of any such tax (a "**Taxing Authority**"), (ii) any liability for the payment of any amount of the type described in clause (i) above as a result of a Party to this Agreement being a member of an affiliated, consolidated or combined group with any other corporation at any time on or prior to the Closing Date and (iii) any liability of any Person with respect to the payment of any amounts of the type described in clause (i) or (ii) above as a result of any express or implied obligation of such Person to indemnify any other person.

"**Code**" means the Internal Revenue Code of 1986, as amended.

(b) Seller, and any affiliated group, within the meaning of Section 1504 of the Code, of which Seller is or has been a member, has filed or caused to be filed all material Tax returns, reports and forms required to be filed by it and all such returns, reports and forms are true, complete and correct, all Taxes due

have been timely paid in full or will be timely paid in full by the due date thereof (including any applicable extensions approved by the respective Taxing Authority pursuant to a payment plan with such Taxing Authority), and no Tax Liens shall exist with respect to the Acquired Assets as of the Closing Date.

SECTION 3.08. Proceedings. To the Seller's knowledge, there is no pending or threatened suit, action or proceeding ("**Proceeding**") Seller is a party to or subject to or in default under any judgment applicable to the use of any Acquired Asset nor, to the knowledge of Seller, is there any pending or threatened investigation of or affecting any Acquired Assets. Unless otherwise disclosed to Purchaser in writing herein, there is no Proceeding pending, or to Seller's knowledge threatened, against Seller before or by any Governmental Entity which seeks a writ, judgment, order, or decree restraining, enjoining, or otherwise prohibiting or making illegal any of the transactions contemplated by this Agreement, except Seller is required to abide by the terms of the executed SAO by and between Seller and the MED.

SECTION 3.09. Compliance with Applicable Laws. Seller's use of the Acquired Assets is in compliance with all applicable laws with the exception of federal laws relating to marijuana and asserted violations as put forth in the disclosed SAO disclosed to Purchaser. Unless otherwise disclosed to Purchaser in writing, Seller has not received any written or oral communication from any Person that alleges that it, the Acquired Assets, or its use of the Acquired Assets is not in compliance in any material respect with any applicable law. The Licenses are in good standing as of the Closing Date. This Section 3.09 does not relate to matters with respect to Taxes, which are the subject of Section 3.08.

SECTION 3.10. Permits. Seller possesses all necessary Licenses, permits, authorizations, approvals, registrations, and similar consents (collectively, "**Permits**"), with the exception of the Adams County License, which is pending an assignment/change of ownership back to Seller. Upon receipt of the Adams County License, Seller and Purchaser will ensure final transfer to Purchaser as a required condition of the Closing hereof, and as required for the ownership and operation of the Business in the manner in which it is currently owned and operated.

SECTION 3.11 Environmental Matters. Seller is in compliance with all federal, state, local, and foreign laws relating to the environment, human health and safety or pollutants, contaminants, wastes or chemicals or any toxic, radioactive, ignitable, corrosive, reactive, or otherwise hazardous substance, wastes, or materials ("**Environmental Laws**"), and any other limitations, restrictions, conditions, standards, prohibitions, requirements, obligations, schedules and timetables contained in such Environmental Laws, insofar as failure to comply with the same could result in any liability affecting, or other reduce the value of the Assets. Seller has no knowledge of any liabilities arising in connection with or in any way relating to the Acquired Assets of any kind whatsoever, whether accrued, contingent, absolute, determined, determinable or otherwise, arising under or relating to any Environmental Law, and Seller has no knowledge of any facts, events, conditions, situations or set of circumstances which could reasonably be expected to result in or be the basis for any such liability. Seller has no knowledge of any event, condition, circumstance, activity, practice, incident, action or plan which will interfere with or prevent continued compliance with or which would give rise to any liability under any Environmental Law or give rise to any common law or statutory liability, based on or resulting from Seller's or its agents' manufacture, processing, distribution, use, treatment, storage, disposal, transport, or handling, or the emission, discharge, or release into the environment, of any hazardous substance, that could result in any liability affecting, or other reduce the value of, the Acquired Assets or the Business. To Seller's knowledge, Seller has taken all actions necessary under applicable requirements of Environmental Law to register any products or materials required to be registered by Seller (or any of its agents) thereunder. There is no Proceeding, notice or demand letter pending or, to Seller's knowledge threatened, against Seller relating in any way to Environmental Laws, or notice or demand letter issued, entered, promulgated or approved thereunder. To Seller's knowledge, the Business Location is not listed or proposed for listing on the National Priorities List promulgated pursuant to CERCLA, on CERCLIS (as defined in CERCLA) or on any

similar federal, state, local or foreign list of sites requiring investigation or cleanup.

SECTION 3.12. Obligations to Third-Party Consultants or Brokers. No agent, broker, investment banker or other firm or person is or will be entitled to any broker's or finder's fee or any other commission or similar fee in connection with any of the transactions contemplated by this Agreement.

SECTION 3.13. Complete Disclosure. This Agreement and the agreements and instruments attached hereto and to be delivered at the time of Closing do not contain any untrue statement of material fact by Seller. This Agreement and such related agreements and instruments do not omit to state any material fact necessary in order to make the statements made herein or therein by Seller, in light of the circumstances under which they are made, not misleading.

ARTICLE IV

Representations and Warranties of Purchaser

Purchaser hereby represents and warrants to Seller as of the date hereof, and as of the Closing Date, as follows:

SECTION 4.01. Organization, Standing and Power. Purchaser is duly organized, validly existing and in good standing under the laws of the State of Colorado and has full corporate power and authority and possesses all governmental franchises, licenses, permits, authorizations and approvals necessary to enable it to own, lease, or otherwise hold its properties and assets and to carry on its business as presently conducted.

SECTION 4.02. Authority; Execution and Delivery; and Enforceability. Purchaser has full power and authority to execute this Agreement and the Ancillary Agreements to which it is, or is specified to be, a party and to consummate the Acquisition and the other transactions contemplated hereby and thereby. The execution and delivery by Purchaser of this Agreement and the Ancillary Agreements to which it is, or is specified to be, a party and the consummation by Purchaser of the Acquisition and the other transactions contemplated hereby and thereby have been duly authorized by all necessary corporate action. Purchaser has duly executed and delivered this Agreement and prior to the Closing will have duly executed and delivered each Ancillary Agreement to which it is, or is specified to be, a party, and this Agreement constitutes, and each Ancillary Agreement to which it is, or is specified to be, a party will after the Closing constitute, its legal, valid and binding obligation, enforceable against it in accordance with its terms.

SECTION 4.03. No Conflicts; Consents The execution and delivery by Purchaser of this Agreement do not, and the execution and delivery by Purchaser of each Ancillary Agreement to which it is or is specified to be a party will not, and the consummation of the Acquisition and the other transactions contemplated hereby and thereby and compliance by Purchaser with the terms hereof and thereof will not conflict with, or result in any violation of or default (with or without notice or lapse of time, or both) under, or give rise to a right of termination, cancellation, or acceleration of any obligation or loss of a material benefit under, or result in the creation of any Lien upon any of the properties or assets of Purchaser under, any provision of (i) Purchaser's articles or organization or operating agreement, (ii) any contract to which Purchaser is a party or by which any of its properties or assets is bound or (iii) any judgment or applicable law to Purchaser or its properties or assets. Other than the approvals required by the MED, Adams County Licensing, and the El Paso District Court in the Receivership Action for the change of ownership of the Acquired Assets (including but not limited to the Licenses), no Consent of or registration, declaration or filing with any Governmental Entity is required to be obtained or made by or with respect to Purchaser or any of its subsidiaries in connection with the execution, delivery and performance of this Agreement or any Ancillary Agreement or the consummation of the Acquisition or the other transactions contemplated hereby and thereby.

SECTION 4.04. Suitability of Ownership of Marijuana Business License. Purchaser and each of Purchaser's owners, members, shareholders, officers, and directors are suitable for licensure from the MED and Adams County Licensing, to the extent required by respective state and local laws, rules, and ordinances.

SECTION 4.05. Complete Disclosure. This Agreement and the agreements and instruments attached hereto and to be delivered at the time of Closing do not contain any untrue statement of material fact by Purchaser. This Agreement and such related agreements and instruments do not omit to state any material fact necessary in order to make the statements made herein or therein by Purchaser, in light of the circumstances under which they are made, not misleading.

ARTICLE V

Covenants

SECTION 5.01. Reasonable Efforts. Each Party shall, and shall cause its affiliates to, use its commercially reasonable efforts to obtain, and to cooperate in obtaining, all Consents from third parties necessary or appropriate to permit the transfer of the Acquired Assets to Purchaser to the extent that such Consents shall not have been obtained or taken by the Closing Date, provided that all Consents related to the transfer of ownership of the Licenses shall be received prior to the Closing Date. Any unreasonable delay by a Party to satisfactorily respond to the MED, Adams County Licensing, of the El Paso District Court in the Receivership Action for any request for information shall constitute a material breach of this Agreement by such Party.

SECTION 5.02. Change of Ownership Applications. Seller shall submit to the MED all required change of ownership applications related to the Acquisition (the "**MED COO Applications**"). Seller shall submit to Adams County Licensing all required change of ownership applications related to the Acquisition (the "**Adams County COO Applications**"). The MED COO Applications and the Adams County COO Applications shall be submitted to the MED and Adams County Licensing, respectively no later than seven (7) days of Court Order allowing for the sale of the Acquired Assets. The parties shall cooperate in good faith to prepare the applications and provide all supplemental documents, if requested. Seller's counsel shall handle the submittal of the MED COO and Adams County COO applications. Purchaser shall be responsible for change of ownership fees.

SECTION 5.03. Expenses; Renewal Fees; Taxes.

(a) Except as set forth in this Section 5.03, all costs and expenses incurred in connection with this Agreement and the Ancillary Agreements and the transactions contemplated hereby and thereby shall be paid by the Party incurring such expense, including all costs and expenses incurred pursuant to Section 5.02.

(b) All fees required to be paid to the MED and Adams County Licensing upon submission of the MED COO Applications and Adams County COO Applications shall be paid by Purchaser.

(c) With respect to any MED or Adams County Licensing renewal application submitted after the Contract Date for the Licenses but prior to the Closing Date, Seller shall submit any and all renewal applications and Purchaser shall pay all required application and license fees associated therewith. With respect to any MED or Adams County Licensing renewal application submitted prior the Contract Date for the Licenses Seller shall have timely submitted License renewal applications to the MED and to Adams County. Seller shall pay the License renewal fees to the applicable Governmental Authorities and purchaser shall reimburse Seller for any such license renewal fees at Closing, pro-rated for the remaining term of each renewed License.

(d) With the exception of the change of ownership application fees provided for in Section 5.02,

all liabilities, obligations, or commitments for transfer, documentary, sales, use, registration, value-added and other similar Taxes and related amounts (including any penalties, interest and additions to Tax) incurred in connection with this Agreement, the Ancillary Agreements, the Acquisition, and the other transactions contemplated hereby and thereby applicable to the conveyance and transfer from Seller to Purchaser of the Acquired Assets and any other transfer or documentary Taxes or any filing or recording fees applicable to such conveyance and transfer shall be paid by Seller. Seller shall prepare, execute and file all returns, questionnaires, applications, and other documents regarding any Tax that is required to be filed by Seller prior to Closing. Each Party shall use reasonable efforts to avail itself of any available exemptions from any such Taxes or fees, and to cooperate with the other Party in providing any information and documentation that may be necessary to obtain such exemptions.

SECTION 5.04. Status of Licenses and Permits. Seller shall maintain the Licenses and Permits in good standing at all times from the Contract Date to the Closing Date.

SECTION 5.05. Further Assurances. From time to time, as and when requested by any Party or by a Governmental Entity, each Party shall execute and deliver, or cause to be executed and delivered, all such documents and instruments and shall take, or cause to be taken, all such further or other actions (subject to Section 5.02), as are necessary to consummate the transactions contemplated by this Agreement, or to verify the accuracy of the representations and warranties contained in this Agreement, including, in the case of Seller, executing and delivering to Purchaser such assignments, deeds, bills of sale, consents, and other instruments as Purchaser or its counsel may reasonably request as necessary for such purposes.

ARTICLE VI

Actions and Deliveries at Closing

SECTION 6.01. Seller's Actions and Deliveries at Closing.

At the Closing:

(a) Seller's Officer's Certificate. Seller shall deliver to Purchaser a certificate signed by an authorized officer of Seller in the form attached hereto as **EXHIBIT D**.

(b) Bill of Sale. Seller shall execute and deliver to Purchaser the Bill of Sale for the Acquired Assets in the form attached hereto as **EXHIBIT E**.

(c) Taxes. Seller shall deliver to Purchaser copies of all returns, questionnaires, applications, or other documents regarding any Tax that Seller has proposed, executed, and filed prior to Closing.

(d) Other Documents. Seller shall furnish to Purchaser such other documents relating to Seller's corporate existence and authority (including copies of all Court Orders) absence of Liens, ownership of the Acquired Assets and such other matters as Purchaser or its counsel may reasonably request prior to the Closing Date.

SECTION 6.02. Purchaser's Actions and Deliveries at Closing.

At the Closing:

(a) Purchaser Officer's Certificate. Purchaser shall deliver to Seller a certificate signed by an

authorized officer of Purchaser in the form attached hereto as **EXHIBIT F**.

(b) Closing Consideration. The Escrow Agent shall disburse the Closing Consideration by wire transfer as directed in written instructions signed by Seller and Purchaser pursuant to Section 1.01(b)(ii).

ARTICLE VII

TERMINATION

SECTION 7.01. Termination. This Agreement may be terminated at any time prior to the Closing pursuant to the following:

(a) By Seller, so long as Seller is not in material breach of this Agreement, with written notice to Purchaser, if there has been a material breach of, inaccuracy in, or failure to perform any representation, warranty, covenant, condition or agreement made by Purchaser pursuant to this Agreement that has not been cured by Purchaser within ten (10) business days of Purchaser's receipt of written notice of such breach;

(b) By Purchaser, so long as Purchaser is not in material breach of this Agreement, with written notice to Seller, if there has been a material breach of, inaccuracy in, or failure to perform any representation, warranty, covenant, condition or agreement made by Seller pursuant to this Agreement that has not been cured by Seller within ten (10) business days of Seller's receipt of written notice of such breach;

(c) Upon written notice by Seller to Purchaser that the El Paso District Court has denied Receiver's motion to convey Seller's Assets;

(d) Upon written notice by Seller to Purchaser of a Notice of Denial by either Adams County Licensing and/or the MED.

SECTION 7.02. Effect of Termination.

(a) Upon termination pursuant to Section 7.01(a) of this Agreement, Purchaser shall forfeit all rights to any and all of the Receiver's Certificate funds, and any and all funds provided by Purchaser to Receiver. In the event of termination pursuant to Section 7.01(d), and any notice of denial is due to Purchaser's inability to obtain the Licenses, regardless of the MED or Adams County Licensing's reasoning, Purchaser shall forfeit all rights to any and all of the Receiver's Certificate Funds, conversely, if a notice of denial is issued due to Seller's inability to transfer the Licenses, Seller shall ensure repayment of the Receiver's Certificate Funds pursuant to the terms of the Receiver's Certificate, Exhibit B.

(b) Upon termination pursuant to Section 7.01(b), 7.01(c), or 7.01(d) if and only if the License cannot transfer due to the fault of Seller, per Section 7.02(a) of this Agreement, Purchaser is entitled to reimbursement of the Initial Payment pursuant to the terms of the Receiver Certificate, Exhibit B.

SECTION 7.03. TERMINATION PROCEDURE. Any Party having the right to terminate this Agreement who elects to exercise such right to terminate this Agreement shall do so by delivering to the other Party written notice of termination by certified mail or overnight delivery to the address(es) identified in this Agreement. The termination notice shall be effective as put forth in Section 9.04.

ARTICLE VIII

Limitation of Liability and Third-Party Claims

SECTION 8.01. Indemnity. From and after the Closing:

(a) Seller shall indemnify, defend, and hold harmless Purchaser from and against all losses, judgments, liabilities, amounts paid in settlement, damages, fines, penalties, deficiencies, and expenses (including interest, court costs, reasonable fees for attorneys, accountants, and other experts or other reasonable expenses of litigation or other Proceedings, claims, defaults, or assessments) (collectively, “**Losses**”) incurred or suffered by Purchaser resulting from:

- (i) any breach as of the Closing (as though made on and as of the Closing except to the extent a representation and warranty is expressly made as of an earlier date, in which case only as of the earlier date) of Seller’s representations and warranties;
- (ii) any breach of any covenant, representation or warranty, term, obligation, or agreement of Seller contained in this Agreement;
- (iii) any Losses of Purchaser attributable to Seller’s operation of the Business at the Business Location prior to the Closing Date.

(b) Purchaser shall indemnify, defend, and hold Seller harmless from and against all Losses incurred or suffered by Seller resulting from:

- (i) any breach as of the Closing (as though made on and as of the Closing Date except to the extent a representation and/or warranty is expressly made as of an earlier date, in which case only as of the earlier date) of Purchaser’s representations and warranties; and
- (ii) any breach of any covenant, representation or warranty, term, obligation, or agreement of Purchaser contained in this

Agreement;

SECTION 8.02. Limitations of Liability. Notwithstanding anything in this Agreement to the contrary:

(a) Seller’s representations and warranties and Purchaser’s representations and warranties will survive the Closing; provided, however, that no claim may be made with respect to any representation, warranty, covenant, agreement, or obligation of Sections 8.01(a)(i) or (b)(i) that a Party breaches later than eighteen months following the Closing Date.

(b) Purchaser shall give written notice to Seller within a reasonable period of time after becoming aware of any breach by Seller of any representation, warranty, covenant, agreement, or obligation in this Agreement, but in any event no later than 30 days after becoming aware of such breach.

(c) Seller shall give written notice to Purchaser within a reasonable period of time after becoming aware of any breach by Purchaser of any representation, warranty, covenant, agreement or obligation in this Agreement, but in any event no later than 30 days after becoming aware of such breach.

(d) the Parties have a duty to mitigate any Losses in connection with this Agreement.

(e) Seller’s liability with respect to Section 8.01 is limited to Losses incurred or suffered by

to Section 8.01 is limited to Losses incurred or suffered by

SECTION 8.03 Procedure with Respect to Third-Party Claims.

(a) If a Party is threatened with or becomes subject to a third-party claim, and such Party (the “**Claiming Party**”) believes it has a claim entitled to indemnification from the other Party (the “**Responding Party**”) as provided in Section 8.01 as a result thereof, then the Claiming Party shall notify the Responding Party in writing of the basis for the claim setting forth the nature of the claim in reasonable detail. The failure of the Claiming Party to so notify the Responding Party will not relieve the Responding Party of liability hereunder except to the extent that the defense of the claim is prejudiced by the failure to give the notice.

(b) If any Proceeding is brought by a third party against a Claiming Party and the Claiming Party gives notice to the Responding Party pursuant to Section 8.03(a), the Responding Party may participate in the Proceeding and, to the extent that it wishes to, assume the defense of the Proceeding, if (i) the Responding Party provides written notice to the Claiming Party that the Responding Party intends to undertake the defense, (ii) the Responding Party conducts the defense of the third-party claim actively and diligently with counsel reasonably satisfactory to the Claiming Party, and (iii) the Responding Party or the Claiming Party has not determined in good faith that joint representation would be inappropriate because of a conflict of interest. The Claiming Party may, in its sole discretion, select and employ separate counsel in any such action and to participate in the defense thereof, and the Claiming Party shall pay the fees and expenses of its counsel. The Claiming Party shall cooperate with the Responding Party and its counsel in the defense or compromise of the Claim. If the Responding Party assumes the defense of a Proceeding, no compromise or settlement of the Claims may be effected by the Responding Party without the Claiming Party’s consent unless (x) there is no finding or admission of any violation of Law or any violation of the rights of any Person and no effect on any other Claims that may be made against the Claiming Party, and (y) the sole relief provided is monetary damages that the Responding Party pays in full.

(c) (c) If notice is given to the Responding Party of the commencement of any third-party Proceeding and (i) the Responding Party does not, within 14 days after the Claiming Party’s notice is given pursuant to Section 8.03(a), give notice to the Claiming Party of its election to assume the defense of the Proceeding, (ii) any of the conditions set forth in clauses (i) through (iii) of Section 8.03(b) above become unsatisfied, or (iii) a Claiming Party determines in good faith that there is a reasonable probability that a Proceeding may adversely affect it other than as a result of monetary damages for which it would be entitled to indemnification from the Responding Party under this Agreement, then the Claiming Party may (upon notice to the Responding Party) undertake the defense, compromise or settlement of the Claim; provided, however, that the Responding Party shall reimburse the Claiming Party for the Losses associated with defending against the third-party claim (including reasonable attorneys’ fees and expenses) and will remain otherwise responsible for any liability with respect to amounts arising from or related to the third-party claim, in both cases to the extent it is ultimately determined that the Responding Party is liable with respect to the third-party claim for a breach under this Agreement. The Responding Party may elect to participate in the Proceedings, negotiations or defense at any time at its own expense.

ARTICLE IV

General Provisions

SECTION 9.01. Assignment. This Agreement and the rights and obligations hereunder shall not be assignable or

transferable by Purchaser or Seller (including by operation of law in connection with a merger or consolidation of Purchaser or Seller) without the prior written consent of the other Party hereto. Any attempted assignment in violation of this Section 9.01 shall be void.

SECTION 9.02. No Third-Party Beneficiaries. This Agreement is for the sole benefit of the parties hereto and their permitted assigns and nothing herein expressed or implied shall give or be construed to give to any person, other than the parties hereto and such assigns, any legal or equitable rights hereunder.

SECTION 8.03. Attorney Fees. If either Party brings a Proceeding to enforce the provisions of this Agreement, the substantially prevailing Party will be entitled to recover its reasonable attorneys' fees and expenses incurred in such action from the non-prevailing Party as determined by the arbitrator or a court of law.

SECTION 9.04. Notices. All notices or other communications required or permitted to be given hereunder shall be in writing and shall be delivered by hand or sent by electronic mail or sent, postage prepaid, by registered, certified or express mail or reputable overnight courier service, and shall be deemed given when so delivered by hand or email, or if mailed, three days after mailing (one business day in the case of express mail or overnight courier service). All notices to a Party hereto shall be sent to the address and attention indicated below each Party's signature on the signature pages hereto, or to such other address and attention as a Party may designate from time to time to the other Party pursuant to this Section 9.04.

SECTION 9.05. Interpretation; Exhibits, Attachments and Schedules; Certain Definitions.

(a) The headings contained in this Agreement, in any Exhibit, Schedule or Attachment hereto and in the table of contents to this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement. All Exhibits, Schedules and Attachments annexed hereto or referred to herein are hereby incorporated in and made a part of this Agreement as if set forth in full herein. Any capitalized terms used in any Exhibit, Schedule and Attachment but not otherwise defined therein, shall have the meaning as defined in this Agreement. When a reference is made in this Agreement to a Section, Exhibit, Schedule and Attachment, such reference shall be to a Section of, or an Exhibit or Schedule to or Attachment to, this Agreement unless otherwise indicated.

SECTION 9.06. Counterparts. This Agreement may be executed by facsimile and in one or more counterparts, all of which shall be considered one and the same agreement and shall become effective when one or more such counterparts have been signed by each of the parties and delivered to the other Party.

SECTION 9.07. Entire Agreement. This Agreement and the Ancillary Agreements, along with the Schedules and Exhibits thereto, contain the entire agreement and understanding between the parties hereto with respect to the subject matter hereof and supersede all prior agreements and understandings relating to such subject matter. Neither Party shall be liable or bound to any other Party in any manner by any representations, warranties or covenants relating to such subject matter except as specifically set forth herein or in the Ancillary Agreements.

SECTION 9.08. Severability. If any provision of this Agreement (or any portion thereof) or the application of any such provision (or any portion thereof) to any Person or circumstance shall be held invalid, illegal or unenforceable in any respect by a court of competent jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision hereof (or the remaining portion thereof) or the application of such provision to any other persons or circumstances.

SECTION 9.09. Governing Law and Venue. This Agreement shall be governed by and construed in accordance with the internal laws of the State of Colorado applicable to agreements made and to be performed

entirely within such State, without regard to the conflicts of law principles of such State. Proper and exclusive venue shall be Adams County, unless the Receivership Action has not been dismissed and the Receiver has not been discharged thereby requiring any dispute to be heard by the Court in El Paso County District Court 2022CV031519. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by applicable requirements of law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court. THE PARTIES ACKNOWLEDGE THAT (A) COLORADO HAS PASSED AMENDMENTS TO THE COLORADO CONSTITUTION AND ENACTED CERTAIN LEGISLATION TO GOVERN THE MARIJUANA INDUSTRY AND (B) THE POSSESSION, SALE, MANUFACTURE, AND CULTIVATION OF MARIJUANA IS ILLEGAL UNDER FEDERAL LAW. THE PARTIES WAIVE ANY DEFENSES BASED UPON INVALIDITY OF CONTRACTS FOR PUBLIC POLICY REASONS AND/OR THE SUBSTANCE OF THE CONTRACT VIOLATING FEDERAL LAW.

SECTION 9.10. Advice of Counsel. Each Party has had the opportunity to seek the advice of independent legal counsel and has read and understood each of the terms and provisions of this Agreement.

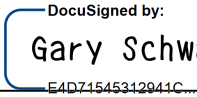
SECTION 9.11. MED Reformation. This Agreement and the transactions contemplated hereby are subject to review by the MED and Adams County Licensing. If the MED or Adams County Licensing determines that this Agreement must be reformed, the Parties shall negotiate in good faith to so reform this Agreement according to such Governmental Entity's requirements while effectuating the original intent of this Agreement as near as possible.

SECTION 9.12 Amendments and Waivers. This Agreement may not be amended except by an instrument in writing signed on behalf of each of the Parties. By an instrument in writing, a Party may waive compliance by the other Party with any term or provision of this Agreement that such other Party was or is obligated to comply with or perform.

[Signature page follows]

IN WITNESS WHEREOF, Seller and Purchaser have duly executed this Asset Purchase Agreement as of the date first written above.

SELLER: JW Colorado, LLC

DocuSigned by:
Gary Schwartz
By: 
Name: Gary Schwartz
Title: Court Appointed Receiver
Notice Address:

JW Colorado, LLC
c/o Gary Schwartz
633 17th Street, Ste. 2250,
Denver, CO 80202
Email: Gary@bcls-cpa.com

With a copy to:

Troutman Pepper Hamilton Sanders LLP
c/o Jean Gonnell
310 S. College Street, Suite 3400
Charlotte, NC 28202
Email: Jean.Gonnell@troutman.com


RECEIVER:

DocuSigned by:
Gary Schwartz
By: 
Name: Gary Schwartz
Title: Court Appointed Receiver

With a copy to:

Troutman Pepper Hamilton Sanders LLP
c/o Jean Gonnell
310 S. College Street, Suite 3400
Charlotte, NC 28202
Email: Jean.Gonnell@troutman.com

PURCHASER: SL Adams, LLC

By: 
Name: Edward Chavez
Title: Managing Member

ASSET PURCHASE AGREEMENT

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Page **15** of

With a copy to:

RZA Legal

Attn: Rachael Z. Ardanuy, Esq.

3570 E. 12th Ave., Ste. 200

Denver, CO 80206

Email: Rachael@rzalegal.com

EXHIBIT A
LEASE AGREEMENT

(See Attached)

EXHIBIT B
RECEIVER CERTIFICATE

(See Attached)

EXHIBIT B- RECEIVER'S CERTIFICATE

EXHIBIT B- RECEIVER'S CERTIFICATE

SCHEDULE 1.02(a)(ii)

MARIJUANA BUSINESS ESTABLISHMENT LICENSES

- (1) Retail Marijuana Store License 402R-00807 issued by the Marijuana Enforcement Division;
- (2) Retail Marijuana Store License PENDING issued by Adams County Licensing.

SCHEDULE 1.02(a)(iii)- MARIJUANA BUSINESS ESTABLISHMENT LICENSES

SCHEDULE 1.03**PURCHASE PRICE ALLOCATION**

IRS CLASS	AMOUNT
Class I (cash and general deposit accounts (including savings and checking accounts) other than certificates of deposit held in banks, savings and loan associations)	
Class II (actively traded personal property)	
Class III (assets that the taxpayer marks to market at least annually for federal income tax purposes and debt instruments)	
Class IV (e stock in trade of the taxpayer or other property of a kind that would properly be included in the inventory of the taxpayer if on hand at the close of the tax year, or property held by the taxpayer primarily for sale to customers in the ordinary course of its trade or business)	
Class V (all assets other than Class I, II, III, IV, VI, and VII assets)	
Class VI (e all section 197 intangibles (as defined in section 197) except goodwill and going concern value)	
Class VII (e goodwill and going concern value (whether or not the goodwill or going concern value qualifies as a section 197 intangible).)	

SCHEDULE 1.03- PURCHASE PRICE ALLOCATION

EXHIBIT C
(SAO AND AMENDMENT THERETO)

EXHIBIT D

SELLER'S OFFICER'S CERTIFICATE

JW COLORADO, LLC

_____, 2024

This Seller's Officer's Certificate is delivered with respect to Section 6.01(a) of that certain Asset Purchase Agreement dated April __, 2024 (the "**APA**") by (i) Gary Schwartz, Betzer, Call, Lausten & Schwartz, LLP, as receiver in El Paso District Court Civil Action 2022CV31519, (ii) JW Colorado, LLC, a Colorado limited liability company, and (iii) SL Adams, LLC, a Colorado limited liability company. Capitalized terms used in this certificate that are defined in the APA have the respective meanings ascribed to them in the APA.

I, Gary Schwartz, the duly appointed receiver and qualified and acting owner of Seller, on behalf of Seller, hereby certify as follows:

1. Seller's Representations and Warranties contained in Article III of the APA are true and correct on and as of the Closing as though made on and as of the Closing.
2. Seller has performed and complied in all material respects with the agreements, covenants, and obligations required by the APA to be performed or complied with by Seller at or before the Closing.

IN WITNESS WHEREOF, the undersigned has executed this Officer's Certificate on behalf of Seller as of the date first written above.

RECEIVER:

By: _____
Name: Gary Schwartz
Title: Court Appointed Receiver

JW Colorado, LLC
By: _____
Name: Gary Schwartz
Title: Court Appointed Receiver

EXHIBIT E

BILL OF SALE

THIS BILL OF SALE (this “**Bill of Sale**”) is entered into on _____, 2024, by Gary Schwartz, Betzer, Call, Lausten & Schwartz, LLP, as receiver in El Paso District Court Civil Action 2022CV31519 (“Receiver”), and JW Colorado, LLC, a Colorado limited liability company (“Seller”), for the benefit of SL Adams, LLC, a Colorado limited liability company (“Purchaser”).

Recitals

A. Receiver, Seller and Purchaser entered into that certain Asset Purchase Agreement dated April __, 2024 (the “Purchase Agreement”), whereby Purchaser agreed to purchase the Acquired Assets from Seller; and

B. Capitalized terms not defined herein have the respective meanings ascribed to them in the Purchase Agreement.

NOW THEREFORE, Seller certifies as follows:

Terms

1. Sale of Acquired Assets. In accordance with the terms and conditions of the Purchase Agreement, Seller hereby sells, transfers, conveys, assigns and delivers unto Purchaser all of the Acquired Assets subject to the Purchase Agreement, free and clear of all Liens.

2. Title. Seller has good and marketable title to the Acquired Assets, free and clear of all Liens, and Purchaser hereby receives such good and marketable title thereto.

3. Warranty. Seller and Receiver shall warrant and defend the sale, transfer, conveyance, assignment and conveyance of the Acquired Assets hereunder against each and every person or persons claiming against any or all of the same.

4. Further Assurances. Seller and Receiver shall take all steps necessary to put Purchaser in actual possession and operating control of the Acquired Assets, to carry out the intent of the Purchase Agreement and this Bill of Sale, and to more effectively sell, transfer, convey, assign and reduce to possession and record to title any of the Acquired Assets, including by executing and delivering, or causing to be executed

and delivered, such further instruments or documents of transfer, assignment and conveyance, or by taking such other actions as may be requested by Purchaser.

5. Independent Covenants. This Bill of Sale is subject in all respects to the terms and conditions of the Purchase Agreement. Nothing contained in this Bill of Sale will be deemed to diminish any of the obligations, agreements, covenants, or statements of fact of Seller set forth in the Purchase Agreement.

6. Dispute Resolution. If a dispute arises under this Bill of Sale, such dispute will be settled by in accordance with the provisions set forth in Section 9.09 of the Purchase Agreement.

7. Electronic or Fax Signatures. This Bill of Sale may be executed electronically which will be effective as original signature.

IN WITNESS WHEREOF, this Bill of Sale has been duly executed and delivered by the duly authorized representative of Seller as of the date first above written.

RECEIVER:

By: _____
Name: Gary Schwartz
Title: Receiver

JW COLORADO LLC

By: _____
Name:
Title:

EXHIBIT F

PURCHASER'S OFFICER'S CERTIFICATE

SL ADAMS, LLC

_____, 2024

This Purchaser's Officer's Certificate is delivered with respect to Section 6.02(a) of that certain Asset Purchase Agreement dated March ____, 2024 (the "APA") by and between Gary Schwartz, Betzer, Call, Lausten & Schwartz, LLP, as receiver in El Paso District Court Civil Action 2022CV31519 ("Receiver"), JW Colorado, LLC a Colorado limited liability company, and SL Adams, LLC, a Colorado limited liability company. Capitalized terms used in this certificate that are defined in the APA have the respective meanings ascribed to them in the APA.

I, _____, as the duly qualified and acting member of Purchaser, hereby certify as follows:

1. Purchaser's Representations and Warranties contained in Article IV of the APA are true and correct on and as of the Closing as though made on and as of the Closing.
2. Purchaser has performed and complied in all material respects with the agreements, covenants, and obligations required by the APA to be performed or complied with by Purchaser at or before the Closing.

IN WITNESS WHEREOF, the undersigned has executed this Officer's Certificate on behalf of Purchaser as of the date first written above.

SL ADAMS, LLC

By: _____

Name: Eddie Chavez

Title: Owner

LEASE AGREEMENT

LH2, LLC

Landlord,

And

**SL Adams LLC/Dustin
Chavez Managing
Member LLC**

LEASE AGREEMENT

THIS LEASE is entered into this 16th Day of April, 2024, between LH2 LLC("Landlord"), and SL ADAMS LLC (henceforth known as Lessee and or SL ADAMS LLC for the purposes of this document) whose address is 1155 S Cherokee St, Denver CO, 80223.

1.0 PREMISES

1.1 In consideration of the rents, covenants and agreements contained herein, Landlord leases to Tenant, and Tenant leases from Landlord certain property located at 6299 & Federal Blvd & 3030 & 3040 West 63rd Avenue, Denver, CO 80221. The property has the following legal description as

follows: SUBDIVISION CLEAR CREEK GARDENS PLAT CORRECTION NO1 LOT 1

1.2 Notwithstanding, the rent described herein is based upon the value of the building and lot in the condition at delivery, and based upon the location of the building. The leased commercial space is referred to herein as the "Premises" and the location and dimensions are delineated on Exhibit "A", which is made a part hereof.

Please see map for a detail of allotted parking spaces. Shown in Exhibit A.

2.0 TERM

2.1 Length of Term

The term of this Lease shall be for a period of 84 months starting on the Commencement Date as set forth below. 2.2 Commencement Date and Obligation to Pay . The Commencement Date for this Lease Agreement and Tenant's obligation to pay rent hereunder shall commence the date that the retail marijuana store license is granted to the Tenant from Adams County and when the State of Colorado Department of Revenue: Marijuana Enforcement Division delivers the contingent approval letter for change of ownership pertaining to the MED license from its current Tenant, JW Colorado, LLC, to SLADAMS LLC.

2.3 Option Notice, Notice to Vacate

The Lease will automatically renew for the option period unless Tenant provides to Landlord, in writing, notice he does not plan to exercise his option. Notice must be received by Landlord by 30 days prior to the expiration of the first term of the lease (i.e. the first

seven year period) that Tenant does not wish to exercise the option or the Lease shall automatically extend through the option period and each party shall be bound by this Lease through the option period.

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3.0 Tenant's Certificate

3.1 Tenant shall, within Three (3) days after the Commencement Date, and thereafter at Landlord's request, execute and deliver to Landlord a written declaration in recordable form: (1) ratifying this Lease; (2) expressing the Commencement Date and termination date hereof; (3) certifying that this Lease is in full force and effect and has not been assigned, modified, supplemented or amended (except by such writings as shall be stated); (4) that all conditions under this Lease to be performed by Landlord have been satisfied; (5) that there are no defenses or offsets against the enforcement of this Lease by the Landlord, or stating those claimed by Tenant; (6) the amount of advance rental, if any (or none, if such is the case) paid by Tenant; (7) the date to which rental has been paid; (8) the amount of security deposited with Landlord; and (9) such other information as Landlord may reasonably request (10) all sales taxes have been paid. Landlord's mortgage lenders and/or purchasers shall be entitled to rely upon such declaration. Tenant's failure to deliver such certificate within such time shall be conclusive evidence that this Lease is in full force and effect without modification, that there are no defaults and that all of the foregoing and any other matters required to be stated in the certificate are true and correct. Landlord is hereby irrevocably appointed and authorized as agent and attorney fact of Tenant to execute and deliver all such subordination instruments in the event Tenant fails to execute and deliver said instruments within 10 days after notice from the Landlord requesting the execution thereof.

4.0 MINIMUM MONTHLY GUARANTEED RENT.

4.1 Minimum Rent Tenant agrees to pay to Landlord at such place as Landlord may designate, without prior demand therefore and without any deduction or setoff whatsoever, and as fixed minimum rent, the sums shown in the schedule below in advance on the first day of each calendar month during the term of the Lease. Simultaneously with the execution hereof, Tenant pays the following sums:

The commencement date of the Lease term shall be adjusted upon transfer of license to Tenant. Therefore, the dates below shall be adjusted to the date of approval of license transfer.

Year	to Year Month	Time Period	Monthly Rent	+ NNN
		Year 1	\$7,500	+ NNN
		Year 2	\$7,725	+ NNN
		Year 3	\$7,957	+ NNN
		Year 4	\$8,195	+ NNN

		Year 5	\$8,441	+ NNN
		Year 6	\$8,695	+ NNN
		Year 7	\$8,955	+ NNN
Option Period				
		Year 1	\$9,224	+ NNN
		Year 2	\$9,501	+ NNN
		Year 3	\$9,786	+ NNN
		Year 4	\$10,079	+NNN
		Year 5	\$10,382	+NNN

The total rent due under this Lease shall be (**\$689,622.00**) for the first 7 year rent schedule or Six Hundred and Eighty Nine Thousand, Six Hundred and Twenty Two Dollars.

The total rent due under this Option shall be (**\$587,661.00**) for 5 year option rent schedule or Five Hundred and Eighty Seven Thousand Six Hundred and Sixty One Dollars.

a. Damage deposit: \$22,500

Total due at lease signing: \$22,500

The deposit is fully refundable if the Tenant does not obtain a transfer of the license from the State of Colorado after the application process has been completed by the Tenant. If the Tenant does not complete the application process for any reason, then the deposit is nonrefundable. Tenant has an obligation of good faith and fair dealings to the Landlord under this agreement which cannot be met unless the Tenant has completed the application process.

In the event the Commencement Date occurs on a day other than the first day of the month, then rent shall be paid on the Commencement Date for the initial fractional month prorated on a per diem basis.

4.2a Form of Payment. Tennant will pay via a wire transfer to Landlord account on the first day of each lease period.

5.0 USE The parties enter into this Lease under a legal purpose.

5.1 CHARACTER OF OCCUPANCY: The Premises shall be used only for a retail marijuana sales. Tenant shall, at its own cost and expense, obtain any and all licenses and permits necessary for such use. Tenant shall comply with all governmental laws, ordinances and regulations applicable to the use of the Premises. Tenant shall promptly comply with all Landlord or government orders and directives for the correction, prevention, and abatement of nuisances in or upon, or connected with the Premises, all at Tenant's sole expense. Tenant shall not permit the Premises to be used in any way which would, in the opinion of the Landlord, be extra hazardous or which would in any way increase or render void the fire insurance on the leased Premises.

Section 1. The Premises shall be used by Tenant to carry out a lawful cannabis business in accordance with Colorado law and regulation for the following uses ONLY:

Section 2. Dispensing and sale of cannabis products which are obtained through legal channels in the State of Colorado and which conform to Colorado law. Tenant may also sell other retail products which do not contain Cannabis and which are items which may be sold under Colorado law. Tenant may also use the property for business offices. Tenant is not authorized to operate a social club or allow products to be tested or used or manufactured on site without prior written consent of the Landlord and the additional insurance and government approval and licensure that would be required for allowing the use of cannabis on the property.

Section 3. Violation of state law. In the event Landlord is placed upon notice or Landlord learns by a government agency the Tenant's use violates state law or local law, Landlord may deliver such notice to Tenant and Tenant shall **immediately** conform its use to purposes that meet the requirements of local and state law and the use of the premises shall likewise conform. Tenant understands this may require Tenant ceases the sale of marijuana products but will not change Tenant's obligations to continue leasing the space or the payment for rent thereof.

Section 4. In the event Landlord is placed on notice the property is subject to forfeiture if Tenant's use continues, in addition to all the other remedies provided for under this Lease, Landlord may take possession of the property, and Tenant shall cease all activities under which governing authorities complain.

Additional Rent.

5.1 Additional Rent. Any sums or charges to be paid by Tenant pursuant to the provisions of this Lease, other than the Minimum Rent, shall be designated as "Additional Rent", including the Triple Net sums, "NNN", and shall be payable along with the monthly rent, or within five days after Landlord gives written notice and demand for payment unless otherwise provided in this Lease. Payment shall be made at the location specified in Lease, unless otherwise designated by Landlord in writing, and shall be recoverable in the same manner as the Minimum Rent. Landlord shall have the same rights against Tenant for default in payment of Additional

Rent as for default in payment of the Minimum Rent. As used in this Lease, the term "Rent" shall mean Minimum Rent and Additional Rent.

5.2 Taxes. Tenant is responsible for all taxes levied by the county or any other governmental taxing authority including to but not limited to property taxes, sales tax, personal property taxes, etc. Property Taxes to be collected on a monthly basis, determined by the prior year property tax amount provide by the County. The taxes will be divided by twelve and assessed to the Tenant.

Late Payment Charge. All scheduled and additional rent is due on the first of the month. All scheduled and additional rent is late on the third day of the month. If Tenant fails to pay the rent by the 5th day of the month, there is a 5% (of the monthly rental amount) late rent payment immediately due. As described subsequently in the lease an interest charge can be applied to late payments if they are not remedied after a certain time period.

Tenant agrees that such amounts are not a penalty, but are a reasonable amount to reimburse Landlord for the loss of the use of the money, costs and inconvenience of collecting late rent, and the additional administrative costs resulting from late payment. Tenant shall also be subject to the Interest Charges outlined within this Lease.

6.0 ANNUAL REQUIRED REPORTS. Tenant shall submit an annual required report to the Landlord, certifying:

1. He is in compliance with all laws and regulations for the sale of products and operation of Tenant's business;
2. Included in the report shall be a copy of all licenses, permits and other governmental documentation demonstrating Tenant remains licensed and in good standing to conduct business operations as provided for in this Lease;
3. Within the annual report, Tenant shall provide proof of insurance pursuant to the requirements of this Lease.
4. Tenant shall also certify he is current in the payment of all state and federal taxes which he is obligated to pay for the operation of his business and the employment of his workers.

7.0 TENANT'S SHARE OF OPERATING EXPENSES (CAM)

7.1 Tenant's Proportionate Share. In addition to the Minimum Rent provided in Article 3, Tenant shall pay Tenant's share of Operating Expenses, the NNN sums. At the inception of the Lease, Tenant and Landlord agree to enter into a relationship wherein Tenant undertakes all maintenance as necessary to keep the building in good repair. Landlord, in devising Landlord's first year NNN budget shall not include anticipated charges for maintenance. In the event, in the Landlord's sole opinion, Landlord believes Tenant is not fulfilling it's maintenance obligations, Landlord may immediately devise a budget for maintenance, and collect such sums as would be reasonably expended if Landlord were to supervise and contract for the maintenance. Tenant's obligations for maintenance shall include, but not be limited to, servicing of the furnace on an annual basis, **servicing and draining the swamp cooler or maintaining the air conditioner (if applicable)** on an annual basis, snow removal from the sidewalks as snow accumulates, and as city codes and ordinances require, upkeep of the exterior sign, keeping the exterior of the building in good repair and attractive condition, replacements of heating, air-conditioning, and other building components at Tenant's expense.

7.2 Definition of Operating Expenses To be Paid by the Tenant

As used in this Lease, "Operating Expenses" shall mean any and all costs and expenses which Landlord may pay or become obligated to pay **(but are ultimately paid by the Tenant)** because of or in connection with the ownership, operation, management, maintenance and repair of the Building, computed on the cash basis (except as to taxes, as to which the accrual basis shall be used). Essentially, Tenant agrees to pay all expenses related with the operation of the building, whether the expense requires repair or replacement. These costs and expenses include, but are not limited to, the cost or charges for the following items:

- (a) Electricity, and Gas
- (b) Sweeping and snow removal
- (c) Blacktop repair and replacement including all egress points to the Tenant's parking lot.
- (d) Interior and exterior building maintenance, including repairs ~~and or replacement of the roof~~ however, **Landlord is solely responsible for repair of roof unless damage is caused by the Tenant.** NR
- (e) Attorneys fees ^{NR} in the course of advising regarding the property and tenancy; accounting fees and other professional fees)
- (f) ~~Costs incurred in connection with the original construction of the Building;~~
- (h) ~~Space planner's fees, real estate broker's leasing commissions, and advertising expenditures for leasing~~
- (i) **Plumbing** and or water repairs or replacement including main water line to the building and sewer lines, **to be paid by Landlord unless damage caused by Tenant.** NR
- (j) Insurance Payment. The Landlord will pay the annual insurance premium, and charge Tenant the premium in the month it is paid by the Landlord **to be billed to the Tenant in** NR **monthly installments.** If Tenant fails to pay such premium, Landlord may invoice Tenant for a sum equaling 120% of the annual property insurance premium. If this payment is not made, the expense will accrue at 10% of the balance after the adjustment to 120% of the original invoice.
- (k) Tenant is responsible for business liability insurance with the Landlord listed as the loss payee. Tenant will keep a minimum of \$1.5 million Tenant liability insurance. Landlord does not carry insurance on the Tenant's property.
- (L) Tenant to pay the following
- (M) ~~Roof and roof repairs~~, heating and AC repairs, Electrical repairs, and all expenses required to operate the building that are not listed.
- (N) Digital Sign Rental- See additional provisions

Additional rent paid directly by Tenant, Additional Rent paid by Landlord and billed to Tenant: Tenant to pay the following operating expenses directly including but not limited to trash, electric and gas utilities, and renter's insurance. The following expenses will be paid by Landlord and billed to Tenant which shall be paid within 5 days of billing: Water, wastewater, storm drain cleaning, any other assessable expense which could become a lien upon the property.

Tenant agrees to sign a third party notification for Xcel to notify the Landlord in case of non-payment by Tenant.

8.0 SECURITY DEPOSIT

The security deposit shall serve as security for the performance by Tenant of all of the terms, covenants, and conditions required to be performed by it hereunder. Such sum shall be returned to Tenant after the expiration of the term of this Lease and delivery of possession of the Premises to Landlord if, at such time, Tenant has performed all such terms, covenants, and conditions. Tenant shall not receive any interest on the security deposit.

Per Colorado law the security deposit is to be returned to the Tenant within 60 days of the termination of the lease. The security deposit is subject to set-off for the following: extraordinary wear and tear, any sum due from the tenant under lease and not paid under the lease, Landlord loses as a result of a default of the lease, sums claimed by third parties as a result of the Tenant's actions and which are not paid by insurance, at Landlord option, past due rent, leasing fees, professional fees including attorney's fees. The deposit will not serve as liquidating damages and the Landlord may seek payment from Tenant for any sums due not compensated by the deposit

9.0 CONSTRUCTION: Condition
of Building 9.1 Landlord's
Obligations: None.

9.2 Tenant's Obligations Tenant understands the building needs minor repairs and cleaning which may not be readily apparent at the signing of the lease. The Tenant is taking the property as is and confirms that he has inspected the property and is aware of its current condition. Tenant agrees to make these repairs as a condition of this lease, and if such repairs are not made, Landlord may make such repairs and charge Tenant for same, or deduct the cost of such repairs from the deposit, or both. Tenant may make reasonable changes to the interior of the building as Tenant, in the performance of Tenant's use, may require, provided that: (a) Building permits and inspections from Adams County are obtained when required; (b) Written permission from Landlord is obtained; (c) all work to be performed by Tenant shall be constructed by a licensed commercial contractor with licenses from the county of Adams, in a good and workmanlike manner free of any liens for labor and materials. (d) Tenant agrees to indemnify Landlord and hold Landlord harmless against any loss, liability or damage resulting from such work **and provide lien waivers for any work done**

9.3 Signs Tenant shall not, without Landlord's prior written consent, (a) make any changes to the unit, or (b) install any exterior lighting or awnings, or any exterior decorations or paintings, or (c) install any drapes, blinds, shades, or other coverings on exterior windows and doors, or (d) erect or install any sign, window, or door

lettering, placards, decorations, or advertising media of any type which can be viewed from the exterior of the Premises, excepting only dignified displays of customary type for its display windows without the landlord's specific consent.

- 9.4 Tenant is responsible for all cost for changes to the property to conform to change in use requirements by any governmental entity including but not limited to Adams County Colorado. Tenant shall pull any and all permits associated with the property during the term of the lease. The Tenant will pay for any and all costs to any changes to the property that are required by the county or other governmental unit ~~for any part of the surveyed plat that was provided to the Tenant prior to the signing of the lease. Including any changes to the adjacent properties included in the plat that would be required by the county or other governmental entity.~~ NR

9.5 SIGNAGE

Section 1. Exterior Signs. Tenant shall have the right, at its sole risk and expense and in conformity with applicable laws and ordinances, to obtain a permit to install a new monument on the Leased Premises. Any new sign must also be programmable US made unit meeting at least the quality standards of the sign that currently exists at 6289 Federal Blvd. Any new sign cannot block the view of the sign at 6289 Federal Blvd. The sign must be below the current sign in height or must be constructed to the West of the current sign's Western edge, and both signs must be easily seen. No new sign shall be placed until the Landlord has had a reasonable opportunity to review AND APPROVE the design and placement of the proposed new sign.

11.0 CONTINUOUS OPERATION. Tenant shall continually operate his building including opening for required business hours if the State of Colorado or local jurisdiction requires it, and closing for required hours, and shall conform his retail activities to any limitations placed by the state or the jurisdiction. The Tenant shall be liable for any fines or assessments made by governmental authorities for non-compliance with operating hours.

12.0 LAWS, WASTE, NUISANCE

- 12.1 Tenant covenants that it: (a) will not use or suffer or permit any person or persons to use the Premises or any part thereof, or adjacent sidewalks, for conducting thereon a

secondhand store or any auction, distress, fire, bankruptcy, or going-out-of-business sale; (b) will comply with all governmental laws, ordinances, regulations, and requirements, now in force or which hereafter may be in force, or any lawful governmental body or authorities having jurisdiction over the Premises; (c) will keep the Premises and every part thereof in clean, neat, and orderly condition, free of objectionable noise, odors, or nuisances, and will in all respects and at all times, fully comply with all health and policy regulations; and (d) shall not suffer, permit or commit any waste. (e) Tenant further certifies:

1. No consumption of alcohol or marijuana or cannabinoid (CBD) or other products shall occur on the

Premises without the prior written consent of the Landlord and an applicable license from the County and or state.

2. Tenants shall insure all packaging for products and trash which may be discarded by patrons or others is promptly cleaned up.
3. Tenant shall provide security as needed.
4. Tenant shall not participate in any activity which would lead to customer driving infractions, including driving while impaired or driving under the influence.
5. Tenant shall not participate, as far as the property is concerned, in activities that may likely lead to driving under the influence.
6. Tenant's parking area may only be used during business hours. In off hours, the parking area may be used by employees only. No outside storage of vehicles is allowed. No person shall use the property as a domicile, including no person shall park a motor home, van or trailer on the premises and occupy the motor home van or trailer after the Tenant's business closes. Tenant acknowledges their useable parking spaces per the map provided by the Landlord.
7. Tenant understands the property has significant setbacks as asserted by the county of Adams. Zoning inspectors insist on strict compliance with rules and regulations. Tenant shall not allow any parking on sidewalks or setbacks. In the event Adam's County issues any demand, notice, citation Tenant shall notify Landlord of such issuance immediately. Tenant shall pay all costs including legal, consulting, engineering, surveying, fines and other costs in defending against such actions. Tenant shall be responsible for all fines assessed.

These provisions are material to the success of the Lease and the well being of the neighborhood where the property is located and Landlord may act upon any violation of these provisions by Tenant, including violation being a cause for eviction and demand for damages. Tenant understands that violation of the aforementioned points in this section are a material violation of the lease.

11. Tenant understands that current configuration of the adjacent building including fences may cross the lot line to the Tenants rentable space.

13.0 MAINTENANCE.

13.1 Maintenance by Tenant: Tenant, at its sole cost and expense, shall at all times keep the Premises in good order, condition and repair including but not limited to exterior entrances, glass, window molding, partitions, doors, fixtures, equipment, lighting, heating and air conditioning systems, and plumbing fixtures and drainage systems (which partially cross the property line to 6289 Federal) and shall replace such items when necessary. 13.2 Maintenance

by Landlord -Note, this is a NNN lease with the Tenant providing all the costs for building out and maintenance. Specifically, Tenant acknowledges that he is paying all capital costs as well.

In the event any repairs are required because of the negligence by Tenant, and after seven days written notice, if Tenant refuses to make such repair at his sole cost and expense, then Tenant shall pay Landlord's cost for making such repairs, plus twenty (20%) percent of said cost for overhead immediately upon presentation of a bill thereof. Failure of Tenant to pay such amount immediately shall constitute a material default by Tenant hereunder.

13.3 Landlord's Right to Cure: If Tenant refuses or neglects to repair property as required hereunder to the reasonable satisfaction of Landlord as soon as reasonably possible after written demand, Landlord may make such repairs without liability on its part to Tenant for any loss or damage that may accrue to Tenant's merchandise, fixtures, or other property or to Tenant's business by reason thereof, and upon completion thereof, Tenant shall pay Landlord's cost for making such repairs, plus twenty (20%) percent of said cost for overhead, immediately upon presentation of a bill therefore. Failure of Tenant to pay such amount immediately shall constitute a default by Tenant hereunder.

14.0 Alterations

14.1 Pets- Only service animals shall be allowed upon the premises.

14.2 Tenant shall not make or cause to be made any alterations, additions or improvements or install or cause to be installed any trade fixtures, exterior signs, floor coverings, interior or exterior lighting, plumbing fixtures, or shades or awnings, or make any changes to the store front, without first obtaining Landlord's written approval **which shall not be unreasonably withheld.** . Tenant shall present to the Landlord plans and specifications for such work at the time approval is sought. All such work with respect to any alterations, additions, and changes shall be done in a good and workmanlike manner and diligently prosecuted to completion such that, except as absolutely necessary during the course of such work, the Premises shall at all times be a complete operating unit. Any such alterations, additions, or changes shall be performed and done strictly in accordance with all laws and ordinances relating thereto. In performing the work or any such alterations, additions, or changes, Tenant shall have the same performed in such a manner as not to obstruct access to any portion of the Building. Any alterations, additions, or improvements to or of the Premises, including, but not limited to, wall covering, paneling, and built in cabinet work, but excepting movable furniture and trade fixtures, shall at once become a part of the realty and shall be surrendered with the premises unless Landlord otherwise elects at the end of the term thereof. **Please note that for the purposes of this lease that any HVAC or swamp cooler equipment will become part of the building and may not be removed at the expiration of the lease without the Landlord's written approval.** Tenant agrees to give Landlord written notice not less than ten (10) days in advance of the commencement of any construction, alteration, addition, improvement, installation, or repair costing in excess of Five Hundred and 00/100 Dollars (\$500.00) in order that Landlord may post appropriate notices of Landlord's non-responsibility. **Tenant must also provide Lien Waivers for any work to Landlord as soon as work is completed.**

15. MECHANIC'S LIEN

15.1 Should any mechanic's or other lien be filed against the Premises or any part thereof by reason of Tenant's acts or omissions or because of a claim against Tenant, Tenant shall cause the

same to be canceled and discharged of record by bond or otherwise within ten (10) days after notice from Landlord.

16.0 UTILITIES

16.1 Landlord shall not be liable in the event of any interruption in the supply of any utility services to the Premises or Building. Tenant shall be solely responsible for and shall promptly pay all directly metered charges for consumption of heat, gas, electricity. Landlord shall have a third-party notification set up with the utility company to be alerted of non-payment by the Tenant. **Landlord at its sole discretion shall have the right to pay the utility bill and add late fees and charges of \$100 per payment made by the Landlord to the monthly rental charge. If the tenant does not pay the utility bill for three consecutive months the Landlord will have the option to terminate the lease and evict the Tenant at the Tenant's cost. Failure to pay the utility bill for three months shall be a material violation of lease.**

17.0 ASSIGNMENT

17.1 Assignment Prohibited Tenant shall not transfer, assign, mortgage, or hypothecate this Lease, in whole or in part, or permit the use of the Premises by any person or persons other than Tenant, or sublet the Premises, or any part thereof, without the prior written consent of Landlord, which consent shall not be unreasonably withheld. Such prohibition against assigning or subletting shall include any assignment or subletting by operation of law. Any transfer of this Lease from the Tenant by merger, consolidation, transfer of assets, or liquidation shall constitute an assignment for purposes of this Lease. In the event that Tenant hereunder is a corporation, an unincorporated association, or a partnership, the transfer, assignment, or hypothecation of any stock or interest in such corporation, association, or partnership in the aggregate in excess of forty nine (49%) percent shall be deemed an assignment within the meaning of this section. In making its reasonable determination as to whether to approve an assignment, Landlord may consider the relative business experience, financial strength, cash position, and specific experience in this business, among other factors of the Tenant and its proposed assignee. In the event Tenant seeks to assign his ownership interests and hence lease interests, Landlord shall be entitled to all costs and fees along with a single payment of **\$5,000.00** for each assignment. Landlord understands Tenant may wish to sublet a small portion of the property and Landlord invites Tenant to submit proposals. In the case of all assignment of any interest, Tenant shall follow all laws and regulations promulgated for assignments by the State of Colorado, the county of Adams and any other entity with governmental jurisdiction over the property. Failure to do so shall be considered a material breach of this lease. 17.2 Consent Required: Any assignment or subletting without Landlord's consent shall be void, and shall constitute a default hereunder which, at the option of Landlord, shall result in the termination of this Lease or exercise of Landlord's other remedies hereunder. Consent to any assignment or subletting shall not operate as a waiver of the necessity for consent to any subsequent assignment or subletting, and the terms of such consent shall be binding upon any person holding by, under, or through Tenant. Landlord's consent to a sublease or assignment shall not operate to relieve Tenant

NR
NR

from full liability under the condition of this Lease unless Landlord so states in writing.

17.3 Landlord's Right In Event of Assignment: If this Lease is assigned or if the Premises or any portion thereof are sublet or occupied by any person other than the Tenant, Landlord may collect rent and other charges from such assignee or other party, and apply the amount collected to the rent and other charges reserved hereunder, but such collection shall not constitute consent or waiver of the necessity of consent to such assignment, subleasing, or other transfer, nor shall such collection constitute the recognition of such assignee, sub lessee, or other party as the Tenant hereunder nor shall it release Tenant from the further performance of all of the covenants and obligations of Tenant herein contained. In the event that Landlord shall consent to a sublease or assignment hereunder, Tenant shall pay to Landlord reasonable fees, not to be less than \$100.00, incurred in connection with processing of documents necessary to the giving of such consent.

18.0 INDEMNITY

18.1 Tenant hereby agrees to defend, pay, indemnify, and save free and harmless, Landlord from and against any and all claims, demands, fines, suits, actions, proceedings, orders, decrees, and judgments of any kind or nature Including criminal liability and civil forfeiture by or in favor of anyone whomsoever and from and against any and all costs and expenses, including reasonable attorneys' fees, resulting from or in connection with loss of life, bodily or personal injury or property damage arising, directly or indirectly, out of or from the Premises or occasioned wholly or in part through the use and occupancy of the Premises or any improvements therein or appurtenances thereto, or by any act of omission or negligence of Tenant or any subtenant, concessionaire or licensee of Tenant, or their respective employees, agents, or contractors in, upon, at or from its or their negligence. Tenant and all those claiming by, through, or under Tenant shall store their property in and shall occupy and use the Premises and any improvements therein and appurtenances thereto and all portions of the Building solely at their own risk and Tenant and all those claiming by, through, or under Tenant hereby release Landlord to the full extent permitted by law, from all claims of every kind. Landlord shall not be responsible or liable for damages at any time to Tenant, or to those claiming by, through, or under Tenant for any loss of life, bodily or personal injury, or damage to property or business, or for business interruption, that may be occasioned by or through the acts, omissions, or negligence of any other persons, or any other tenants or occupants of any portion of the Building. Landlord shall not be responsible or liable for damages at any time for any defects, latent or otherwise, in any buildings or improvements, in the Building or any of the equipment, machinery, utilities, appliances, or apparatus therein, nor shall Landlord be responsible or liable for damages at any time for loss of life, or injury or damage to any person or to any property or business of Tenant, or those claiming by, through, or under Tenant, caused by or resulting from the bursting, breaking, leaking, running, seeping, overflowing, or backing up of water, steam, gas, sewage, snow, or ice in any part of the Premises or caused by or resulting from acts of God or the elements, or resulting from any defect or negligence in the occupancy, construction, operation or use of any buildings or improvements in the Building, including the Premises, or any of the

equipment, fixtures, machinery, appliances, or apparatus therein. If Tenant shall default in any of the terms of this Lease, Landlord shall be entitled to recover from Tenant all costs and expenses that it may incur in enforcing the terms of this Lease, including reasonable attorneys' fees. Tenant expressly acknowledges that all of the foregoing provisions of this section shall apply and become effective from and after the date Landlord shall deliver possession of the Premises to Tenant.

18.2

Tenant shall indemnify and hold harmless Landlord from all loss, damage, liability or expense, including attorney fees, resulting from any injury to any person or any loss of, or damage to, any property caused by or resulting from any act, omission or negligence of Tenant or any officer, employee, agent, contractor, invitee or visitor of Tenant in or about the Premises or the building. Tenant shall insure any visitors to the Premises are escorted pursuant to Colorado Marijuana Regulations and statutes. Landlord shall not be liable for any loss or damage to person or property sustained by Tenant, or other persons, which may be caused by the building or the Premises, or any appurtenances thereto, going out of repair or by the bursting or leakage of any water, gas, sewer or steam pipe, or by theft or by any act of neglect of any Tenant or occupant of the building, or of any other persons, or by any other cause whatsoever, unless caused by the willful neglect of the Landlord.

19.0 INSURANCE Tenant to name the Landlord as the loss payee in regards to any insurance settlements.

19.1 Provisions to be Contained in Policies: All insurance required of Tenant in this Lease shall be effected under enforceable policies issued by insurers approved by Landlord and a copy of the policy or a certificate of insurance shall be delivered to the Landlord within ten (10) days after the date of commencement of the term of this Lease or on or before the day Tenant begins Tenant's work on the Premises, whichever is first. The policy or policies shall provide by its terms that it is non-cancelable except on twenty (20) days prior written notice to Landlord. At least twenty (20) days prior to the expiration date of any policy, the original renewal policy for such insurance shall be delivered by Tenant to the Landlord. Within twenty (20) days after the premium on any policy shall fall due and payable, the Landlord shall be furnished with satisfactory evidence of its payment. All policies shall name Landlord, and any person, firms, or corporation designated by Landlord as loss payee. All policies shall be written as primary policies, not contributing with and not in excess of coverage which Landlord may carry.

19.2 Subrogation: Each party hereto waives its right of subrogation against the other for any reason whatsoever, and any insurance policies herein required to be procured by either shall contain an express waiver of any right of subrogation by the insurer against the other.

19.3 Lenders: Any mortgage lender interested in any part of the Building may, at Landlord's option, be afforded coverage under any policy required to be secured by Landlord or Tenant hereunder, by use of a mortgage's endorsement to the policy concerned.

19.4 Blanket: If the Tenant provides any insurance required by this Lease in the form of a blanket policy, the Tenant shall furnish satisfactory proof that such blanket policy complies in all respects

with the provisions of this Lease, and that the coverage hereunder is at least equal to the coverage which would be provided under a separate policy covering only the Premises.

19.5 Increase in Insurance Premiums: Tenant shall not stock, use, or sell any article or do anything in or about the Premises which may be prohibited by Landlord's insurance policies carried on the remainder of the Building or any endorsements or forms attached thereto, or which will increase any insurance rates and premiums on the other buildings in the Building. Tenant shall pay on demand any increase in premiums for Landlord's insurance that may be charged on such insurance carried by Landlord resulting from Tenant's use and occupancy of the Premises or the Building, whether or not Landlord has consented to the same.

20.0 DAMAGE BY CASUALTY

20.1 If the Premises shall be partially damaged by a casualty insured under Landlord's insurance policy,

Landlord shall, upon receipt of the insurance proceeds, and to the extent that those proceeds are adequate, proceed to repair the Premises and until repair is complete, the minimum rent shall be abated proportionately as to that portion of the Premises rendered untreatable. Notwithstanding the foregoing, if: (a) the Premises by reason of such occurrence are rendered wholly untreatable, or (b) the Premises should be damaged as a result of a risk which is not covered by Landlord's insurance, or (c) the Premises should be damaged in whole or in part during the last three (3) years of the term or of any renewal hereof, or (d) the Premises or the building of which it is a part, whether the Premises are damaged or not, or all of the building which then comprises the Building, should be damaged to the extent of fifty (50%) percent or more of the then monetary value thereof, or whether or not the Premises are damaged, to an extent that the Building cannot in the sole judgment of Landlord, be operated as an integral unit, then and in any such events, Landlord may either elect to repair the damage or may cancel this Lease by notice of cancellation within one hundred twenty (120) days after such event and thereupon this Lease shall expire, and Tenant shall vacate and surrender the Premises to Landlord. Tenant's liability for rent upon the termination of this Lease shall cease as of the day following casualty. In the event Landlord elects to repair any damage, any abatement of rent shall end five (5) days after notice by Landlord to Tenant that the Premises have been repaired. If the damage is caused by the negligence of Tenant or its employees, agents, invitees, or concessionaires, there shall be no abatement of rent. Unless this Lease is terminated by Landlord, Tenant shall repair and re-fixture the interior of the Premises in a manner and in at least a condition equal to that existing prior to the destruction or casualty and the proceeds of all insurance carried by Tenant on its property and fixtures shall be held in trust by Tenant for the purpose of said repair and replacement. All work of restoration shall be done in substantial conformity with local building codes with all NR applicable permits being pulled. with Exhibit "D". NR

21.0 CONDEMNATION

21.1 Total Condemnation: If the whole of the Premises shall be acquired or taken by condemnation proceeding, then this Lease shall cease and terminate as of the date of title vesting in such proceeding.

21.2 Partial Condemnation: If any part of the Premises shall be taken as aforesaid, and such partial taking shall render that portion not so taken unsuitable for the business of Tenant, then this Lease shall cease and terminate as afore said. If such partial taking is not extensive enough

to render the Premises unsuitable for the business of Tenant, then this Lease shall continue in effect except that the minimum rent shall be reduced in the same proportion that the floor area of the Premises (including basement, if any) taken bears to the original floor area demised and Landlord shall, upon receipt of the award in condemnation, make all necessary repairs or alterations to the building in which the Premises are located so as to constitute the portion of the building not taken a complete architectural unit. But such work shall not exceed the scope of the work to be done by Landlord in Exhibit "D", and in no event shall the Landlord be required to expend an amount in excess of the amount received by Landlord as damage for the part of the Premises so taken. "Amount received by Landlord" shall mean that part of the award in condemnation which is free and clear to Landlord after any collection by mortgage lenders for the value of the diminished Building.

21.3 Landlord's Option to Terminate: If more than twenty (20%) percent of the floor area of the building in which the Premises are located shall be taken as aforesaid, Landlord may, by written notice to Tenant, terminate this Lease. If this Lease is terminated as provided in the subsection, rent shall be paid up to the day that possession is so taken by public authority and Landlord shall make an equitable refund of any rent paid by Tenant in advance. Award: Tenant shall not be entitled to and expressly waives all claim to any condemnation award for any taking, whether whole or partial and whether for diminution in value of the Building, although Tenant shall have the right to claim from the condemner, but not from the Landlord, such compensation as may be recoverable by Tenant in its own right for damages to Tenant's business and fixtures.

21.4 Definitions: As used in this section, the term "Condemnation Proceeding" means any action or proceeding in which any interest in the Premises is taken for any public or quasi public purposes by any lawful authority through exercise of the power of eminent domain or right of condemnation or by purchase or otherwise in lieu thereof.

22.0 EVENTS OF DEFAULT, REMEDIES

22.1 Default by Tenant Upon the occurrence of any of the following events, Landlord shall have the remedies set forth in Section 22.2 of this Lease. NR

- (a) Tenant fails to pay the Minimum Monthly Rental within 5 days after the due date or fails to pay any other rental or any other sum due hereunder within ten (10) days after the same shall be due.
- (b) Tenant fails to perform any other term, condition, or covenant to be performed by it pursuant to this Lease within **thirty (30)** days after written notice of such default shall have been given to Tenant by Landlord. NR
- (c) Tenant or its agent shall falsify any report required to be furnished to Landlord hereunder.
- (d) Tenant or any guarantor of this Lease shall become bankrupt or insolvent or file any debtor proceedings or have taken against such party in any court pursuant to state or federal statute, a petition in bankruptcy or insolvency, reorganization, or appointment of a receiver or trustee; or Tenant petitions for or enters into an arrangement; or suffers this Lease to be taken under a writ of execution.
- (e) Tenant shall vacate or abandon Premises for a period of fifteen (15) days.
- (f) Any notice or demand is made by governmental authorities in which the property is subject to forfeiture or the Landlord or his agents are subject to prosecution.
- (g) Any criminal inditement of officers, directors, or employees regarding illegal activity in relation to the operation of a dispensary at 6299 Federal Blvd. NR

- (h) Any notification by governmental authorities that Tenants licenses are subject to suspension or revocation.
- (i) Any notice on behalf of ~~neighborhood groups or~~ the county that the property is a public nuisance.
- (j) In the event Tenant's use shall be deemed illegal by the state of Colorado.
- (k) Failure to pay utilities for any three month period.
- (l) Assignment of any interest without first obtaining any required governmental and Landlord approvals.
- (m) Failure to pay taxes, license fees or any sum due to the government.
 - (a) ~~Upon the occurrence of an Event of Default, Landlord shall have, in addition to the normal remedies provided by law, the option to pursue any one or more of the following remedies without any notice or demand whatsoever:~~

~~(n) Terminate this Lease, in which event Tenant shall immediately surrender the Premises to Landlord, and if Tenant fails to do so, Landlord may, without prejudice to any other remedy which it may have for possession or arrearages in rent, enter upon and take possession of the Premises, and Tenant agrees to pay to Landlord on demand the amount of all loss and damage which Landlord may suffer by reason of such termination, whether through inability to relet the Premises on satisfactory terms or otherwise, including any damages Landlord may incur because of special sums expended for fixing up the Premises for Tenant. Alternatively, the marijuana licenses (MED license 402R-00807 and the Adams County license located the Premises) shall be utilized as collateral and upon an Event of Default, Landlord may require Tenant transfer the licenses as a remedy upon the occurrence of an Event of Default.~~

(b)

Remedies:

22.2 Upon the occurrence of the events set forth in Section 22.1, Landlord shall have the option to take any or all of the following action, without further notice of demand of any kind to Tenant or any other person. The remedies given to Landlord in this Section 22.2 shall be in addition and supplemental to all other rights or remedies which Landlord may have under laws then in force.

~~(a) Immediately re-enter and remove all persons and property from the Premises. Tenant agrees that this lease forms a contractual lien on the Tenant's personal property in the case of unpaid rent by the Tenant. Specifically, the Landlord may apply personal property (not including marijuana inventory) towards unpaid rent and or costs associated with the Tenant's Leases (Beneficial Finance Co. of Colorado v. Bach, 665 P. 2 d 1034). The Landlord may also at his option, store said property in a public place, warehouse, or elsewhere at the cost of, and for the account of Tenant, all without service of notice or resort to legal process and without being deemed guilty of or liable in trespass. No such re-entry or taking possession of the Premises by Landlord shall be construed as an election on its part to terminate this Lease unless a written notice of such intention is given by~~

~~Landlord to Tenant. No such action by Landlord shall be considered or construed to be a forcible entry.~~

(b) Collect by suit or otherwise each installment of rent or other sum as it becomes due hereunder, or enforce, by suit or otherwise, any other term or provision hereof on the part of Tenant required to be kept or performed. (c) Terminate Tenant's right to possession of the Premises at any time. No act by Landlord other than giving notice to Tenant shall terminate the Tenant's right to possession. Acts of maintenance, efforts to relet the Premises, or the appointment of a receiver on Landlord's initiative to protect Landlord's interest under this Lease shall not constitute a termination of Tenant's right to possession. On termination, Landlord may recover from Tenant (i) the unpaid rent that had been earned at the time of termination of Tenant's right to possession; (ii) the amount by which unpaid rent for the balance of the term (including any option periods which the Tenant has, at the time of termination, exercised) exceeds the amount of the loss of rent for same period that Tenant proves could be avoided; and (iii) any other amount, and court costs, necessary to compensate Landlord for all detriment approximately caused by Tenant's default. (d) Should Landlord reenter, as provided above, or should it take possession pursuant to legal proceedings or pursuant to any notice provided for by law, whether or not it terminates this Lease, it may be necessary in order to re-let the Premises to re-let the same or any part thereof for such term or terms (which may be for a term extending beyond the term of this Lease) and at such rental(s) and upon such other terms and conditions as Landlord in its sole discretion may deem advisable. Upon each such re-letting all rentals received by the Landlord from such re-letting shall be applied, first, to the payment of any indebtedness other than rent due hereunder from Tenant to Landlord; second, to the payment of any costs and expenses of such reletting, including brokerage fees and attorneys' fees and costs of any alterations and repairs; third, to the payment of rent due and unpaid hereunder, and the residue if any, shall be held by Landlord and applied in payment of future rent as the same may become due and payable hereunder. If such rentals received from such re-letting during any month be less than that to be paid during such month by Tenant hereunder, Tenant shall pay any such deficiency to Landlord. Such deficiency shall be calculated and paid monthly. No such re-entry and re-letting of the Premises by Landlord shall be construed as an election on its part to terminate this Lease unless a written notice of such intention be given to Tenant pursuant to subsection (c) above, or unless the termination thereof be decreed by a court of competent jurisdiction. Notwithstanding any such reletting without termination, Landlord may at any time thereafter elect to terminate this Lease for such previous breach. (e) The acceptance of any sums of money from Tenant after the expiration of any five-day notice as above provided shall be taken to be a payment on account by Tenant and shall not constitute a waiver by Landlord of any rights nor shall it reinstate this Lease or cure a default on the part of Tenant. Tenant hereby waives any rights it may have in accordance with either common law or statutory law to the contrary.

(f) Notwithstanding Landlord's rights to assert a lien on Tenant possessions, Landlord does not assert a claim on Tenant's inventory of marijuana products. Landlord shall not take possession of such products and may dispose of them as he is directed by law enforcement, or by any other governmental entity with authority to direct or advise Landlord, and Landlord shall not be responsible or liable to the Tenant for the value of the products, lost profits or other, upon such disposal.

NR (g) Upon default by Tenant, Landlord may, at its option, ~~require the Tenant to assign and~~
NR ~~or transfer the license to the Landlord. Tenant will grant the landlord power of attorney to~~
~~take all steps necessary to assign or transfer license to landlord.~~

(h)

(i)

22.3 Landlord may cure the default at Tenant's cost. If Landlord at any time, by reason of Tenant's default, pays any sum or does any act that requires the payment of any sum, the sum paid by Landlord shall be due immediately from Tenant to Landlord upon demand by Landlord, together with interest thereon at the rate of eighteen percent (18%) per annum from the date the sum is paid by Landlord until Landlord is reimbursed by Tenant. The sum, together with interest on it, shall be additional rent.

23.1 Right to Entry: Landlord shall have the right, upon reasonable notice, to enter the Premises to inspect the same, to submit said Premises to prospective purchasers or tenants, to post notices of non-responsibility, to repair the Premises and any portion of the Building of which the Premises are a part without abatement of rent. Landlord shall ~~keep a set of~~ keep a set of keys and have no NR
NR access to the buildings without notice. If emergency entrance is required to protect the building, Landlord, subject to Colorado marijuana enforcement division rules and regulations his agents have the right to take reasonable measures to inspect or enter the building if a representative of the Tenant is on site. Otherwise, Landlord shall only inspect areas of the building when accompanied by an employee of the business. So long as such inspection can be accomplished in conformance with Colorado, Adams County or governmental laws and regulations. Unless during an emergency, the Landlord will follow any rules on inspection or not enter at all.

In the event Landlord must make exterior repairs, and Tenant has failed in his duty to make such repairs. Landlord may for that purpose erect scaffolding and other necessary structures where reasonably required by the character of the work to be performed, always providing that the entrance to the Premises shall not be blocked thereby, and further providing that the business of the Tenant shall not be interfered with unreasonably. Landlord shall have the right to use any and all means which Landlord may deem proper to open said doors in an emergency or in order to obtain entry to the Premises. Landlord may do so without liability to Tenant except for any failure to exercise due care for Tenant's property and any entry to the Premises obtained by Landlord shall not under any circumstances be construed or deemed to be a forcible or unlawful entry into, or a detainer of, the Premises, or an eviction of Tenant from the Premises or any portion thereof.

Notwithstanding anything to the contrary, Landlord shall not seek nor enjoy the right to enter rooms required to be secure by a governmental authority with jurisdiction over the property or the product being sold by Tenant, unless under governmental regulations, Landlord may be granted permission to inspect when in the presence of other licensed employees. Landlord, his agents and employees agree to wear a badge or other identification as may be required by state licensing or other authorities.

24.0 SUBORDINATION

241 This Lease is subject and subordinate to all ground or underlying leases, mortgages and deeds of trust which now affect the Building or any portion thereof (including the Land) and to all renewals, modifications, consolidations, replacements and extensions thereof. It is further agreed that this Lease may, at the option of Landlord, be made subordinate to any ground or

underlying leases, mortgages, or deeds of trust which may hereafter affect the Building or any portion thereof (including the Land) or affect any ground or underlying leases, and that Tenant, or Tenant's successors in interest, will execute and deliver upon the demand of Landlord any and all instruments desired by Landlord subordinating this Lease to such lease, mortgage or deed of trust.

25. ATTORNNMENT

25.1 Sale or Assignment of Landlord's Interest: In the event of the sale or assignment of Landlord's interest in the building of which the Premises are a part, or in the event of any proceedings brought for the foreclosure of, or in the event of exercise of the power of sale under, any mortgage or other security instrument made by Landlord covering the Premises, Tenant shall attorn to the assignee or purchaser and recognize such purchaser as Landlord under this Lease.

26.0 QUIET ENJOYMENT

26.1 Tenant's Quiet Enjoyment: Tenant, upon paying the rents and observing and performing all of the terms, covenants, and conditions on its part to be performed hereunder, shall peaceably and quietly enjoy the Premises for the term hereof. Landlord shall not be responsible for the actions of third party Tenants in Landlord's performance of his duties of quiet enjoyment.

27.0 SURRENDER OF PREMISES

27.1 Condition: At the expiration of this Lease, Tenant shall surrender the Premises in the same condition as they were in upon delivery of possession thereto under this Lease, reasonable wear and tear excepted, and shall deliver all keys to Landlord. Before surrendering the Premises, Tenant shall remove all of its personal property and trade fixtures and such alterations or additions to the Premises made by Tenant as may be specified for removal by Landlord, and shall repair any damage caused by such property or the removal thereof. **If Tenant fails to remove its personal property and fixtures upon the expiration of this Lease, the same shall be deemed abandoned and shall, at the option of Landlord, become the property of the Landlord.**

28.0 HOLDING OVER

28.1 Holding Over After Lease Expiration: Any holding over after the expiration of the term hereof or of any renewal term shall be construed to be a tenancy from month to month at a rental 1.5 times the last month's amount of rent and additional rents specified in the rate table herein specified and shall otherwise be on the terms herein specified as far as possible. Landlord advises Tenant that the holdover rate will be charged at the end lease period if the Tenant does not exercise his option in writing per the timeline outlined in this lease.

29.0 ATTORNEY'S FEES

29.1 Attorney's Fees: In the event that at any time during the term of this Lease, either Landlord or the Tenant institutes any action or proceedings against the other relating to the provisions of this Lease or any default hereunder, then the unsuccessful party in such action or proceedings agrees to reimburse the successful party for the reasonable expenses of such action including reasonable attorneys' fees. In the event of any dispute or controversy which is settled by the parties prior to the rendering of a final judgment in a court of competent jurisdiction or by a mediation or arbitration panel, Tenant shall pay Landlord's attorney's fees.

30.0 PAST DUE SUMS

30.1 If Tenant fails to pay, when the same is due and payable, the Minimum Monthly Rent, Additional Rent, or other sum required to be paid by it hereunder, such unpaid amounts shall bear interest from the *tenth day after* due date thereof to the date of payment at the rate of **eighteen (18%) percent per annum.**

31.0 MISCELLANEOUS PROVISIONS

31.1 No Partnership: Landlord does not by this Lease, in any way or for any purpose, become a partner or joint venture of Tenant in the conduct of its business or otherwise. The provisions of this Lease relating to percentage rent are included solely for the purpose of providing a method whereby rent is to be measured and ascertained.

31.2 Force Majeure: Landlord shall be excused for the period of any delay in the performance of any obligations hereunder when prevented from so doing by cause or causes beyond Landlord's control, including labor disputes, civil commotion, war, governmental regulations or controls, fire or other casualty, inability to obtain any material or services, or acts of God.

31.3 No Waiver: Failure of Landlord to insist upon the strict performance of any provision or to exercise any option hereunder shall not be deemed a waiver of such breach. No provision of this Lease shall be deemed to have been waived unless such waiver be in writing signed by Landlord.

31.4 Notices. Any notice, demand request, or other instrument which may be or is required to be given under this Lease shall be delivered in person or sent by United States certified or registered mail, postage prepaid, and shall be addressed (a) if to Landlord, at the place specified for payment of rent, and (b) if to Tenant, either at the Premises or at any other current address for Tenant which is known to Landlord. Either party may designate such other address as shall be given by written notice. Such notice, demand, request, or other instrument shall be deemed delivered effective as of the third day after the day on which it was mailed pursuant hereto.

To Tenant:

SL Adams LLC
1155 S Cherokee St
Denver, CO 80223

To Landlord:

NR
NR

LH2, LLC
601 16th Street, STE C #334
Golden, CO 80401

31.5 Recording: Tenant shall not record this Lease, or a memorandum thereof, without the written consent of Landlord. Landlord, at its option and at any time, may file this Lease for recording with the Recorder of the County in which the Building is located.

31.6 Partial Invalidity: If any provision of this Lease or the application thereof to any persons or circumstances shall to any extent be invalid, the remainder of this Lease or the application of such provision to persons or circumstances other than those as to which it is held invalid shall not be affected thereby and each provision of this Lease shall be valid and enforced to the fullest extent permitted by law.

31.7 Broker's Commissions: Tenant represents and warrants that there are no claims for brokerage commissions or finder's fees in connection with this Lease except for Mr. Nick Roman, and agrees to indemnify Landlord against and hold it harmless from all liabilities arising from any claims other than Mr. Roman, including any attorney's fees connected therewith.

31.8 Tenant Defined: The word "Tenant" shall be deemed and taken to mean each and every person or part executing this document as a Tenant herein. If there is more than one Tenant, any notice required or permitted by the terms of this Lease may be given by or to anyone thereof, and shall have the same force and effect as if given by or to all thereof. The use of the neuter singular pronoun to refer to Landlord or Tenant shall be deemed a proper reference even though Landlord or Tenant may be an individual, partnership, corporation, or group of two or more individuals or corporations. The necessary grammatical changes required to make the provisions of the Lease apply in the plural sense where there is more than one Landlord or Tenant and to corporations, associations, partnerships, or individuals, males or females, shall in all instances be assumed as though in each case fully expressed.

31.9 Provisions Binding, Etc.: Except as otherwise provided, all provisions herein shall be binding upon and shall inure to the benefit of the parties, their legal representatives, heirs, successors, and assigns. Each provision to be performed by Tenant shall be construed to be both a covenant and a condition, and if there shall be more than one Tenant, they shall all be bound jointly and severally, by such provisions. In the event of any sale or assignment (except for purposes of security or collateral) by Landlord of the Building, the Premises, or this Lease, Landlord shall, from and after the Commencement Date, whichever is later, automatically pass to Landlord's successor in interest.

31.10 Entire Agreement, Etc.: This Lease and the Exhibits, Riders, and/or Addenda, if any, attached hereto, are a part hereof and set forth the entire agreement between the parties. Any guaranty attached hereto is an integral part of this Lease and constitutes consideration given to Landlord to enter into this Lease. Any prior conversations or writings are merged herein and extinguished. No subsequent amendment to this Lease shall be binding upon Landlord or Tenant unless reduced to writing and signed. Submission of this Lease for examination does not constitute an option for the Premises and becomes effective as a lease only upon execution and delivery thereof by Landlord to Tenant. If any provision contained in a Rider or Addenda is inconsistent with a provision in the body of this Lease, the provision contained in said Rider or Addenda shall control. It is hereby agreed that this Lease contains no restrictive covenants or exclusives in favor of Tenant. The captions and section numbers appearing herein are inserted only as a matter of convenience and are not intended to define, limit, construe, or describe the scope or intent of any section or paragraph.

31.11 Recourse by Tenant: Anything in this Lease to the contrary notwithstanding, Tenant agrees that it shall look solely to the estate and property of Landlord in the land and buildings

comprising the Building, and subject to prior rights of any mortgagee of the Building of any part thereof, for the collection of any judgment (or other judicial process) requiring the payment of money by Landlord in the event of any default or breach by Landlord with respect to any of the terms, covenants, and conditions of this Lease to be observed and/or performed by Landlord, and no other assets of Landlord shall be subject to levy, execution, or other procedures for the satisfaction of Tenant's remedies.

31.12 Joint Obligation: If there be more than one Tenant, the obligations hereunder imposed shall be joint and several. This Lease shall likewise be binding upon any parent company.

31.13 Landlord Reservations and Exceptions: Landlord reserves and excepts

and exterior walls of the building of which the demised premises are a part; and further reserves the right to place in the demised premises (in such manner as to reduce to a minimum the interference with Tenant's use of the demised premises) utility lines, pipes, and the like to serve premises other than the demised premises, and to replace, maintain, and repair such utility lines, pipes, and the like in, over, and upon the demised premises 31.14

See appendix A for parking map of facilities. ^{NR}

32.0 AUTHORITY OF SIGNATORIES

33.1 Each person executing this Lease individually and personally represents and warrants that he is duly authorized to execute and deliver the same on behalf of the entity for which he is signing (whether it be a corporation, general or limited partnership, or otherwise) and that this Lease is binding upon said entity in accordance with its terms.

34. Tenant has the following deposit on hand:

A. Damage deposit at signing

\$22,500

Any work done to the building during the period of the lease ~~or free rent period~~, is also nonrefundable and any equipment which is attached to any part of the building or surrounding grounds cannot be removed without written permission from the Landlord. This would include but would not be limited to HVAC systems and any other equipment or changes that are done to the building. Any damage or restoration cost incurred by the Landlord can be deducted from the deposit.

IN WITNESS WHEREOF, the parties have duly executed this Lease the day and year hereinabove written.

LANDLORD: LH2, LLC NR
NR

Additional Provisions

Tenant will pay the damage deposit at the signing of the lease.

The current digital sign that is located at 6289 Federal Blvd is available for \$200 per month rental. The Landlord encourages the Tenant to install his own sign as the current sign is designed for the other store fronts. The Landlord will provide three months of free digital signage to start the lease. After the three month time period, the sign rental will become part of additional rents set forth previously in the lease. This will take place unless the Tenant notifies the Landlord that they do not wish to use the digital sign. The sign rental is on a month to month basis and can be stopped at any time.

If the Tenant purchases the property located at 6299 Federal and 3030 and 3040 West 63rd Avenue during the lease term, the lease will become null and void and the Tenant's security deposit will be returned. NR
NR

~~The execution of this lease is subject to successful cancellation of the prior Lease between LH2 LLC and JW Colorado LLC dated December 21st, 2018.~~ NR
NR

Landlord

By Nick Roman, Managing Member LH2, LLC

Date

Nick Roman
Nick Roman (Apr 19, 2024 13:33 MDT)

19/04/24

Tenant

By: Dustin Chavez, CEO SL Adams LLC

Date


Dustin Chavez (Apr 19, 2024 08:57 MDT)

19/04/24
04/18/24

EXHIBIT B

RULES AND REGULATIONS

. Security. Landlord may from time to time adopt appropriate systems and procedures for the security or safety of the Building, any persons occupying, using, or entering the same, or any equipment, furnishings, or contents thereof, and Tenant shall comply with Landlord's reasonable requirements relative thereto. Landlord will not be responsible for lost or stolen personal property, equipment, money, or jewelry from the leased premises or the Building.

. Personal Use of Premises. The Demised Premises shall not be used or permitted to be used for residential, lodging, or sleeping purposes or for the storage of personal effects or property not required for business purposes.

. Solicitations. Landlord reserves the right to restrict or prohibit canvassing, soliciting, or peddling in the Building.

. Refuse. Tenant shall contract for, as his needs require, proper waste and sanitation receptacles, at Tenant's expense. As provided for in the Lease, Tenant shall pay for hazardous waste removal if required by law or if the Tenant's waste can reasonably be considered hazardous. All expired or unwanted product of Tenant shall be legally and properly disposed of and shall not be left available for public use or for Landlord removal.

. Obstructions. **No obstruction of 6299 Federal or 3030 & 3040 West 63rd Avenue from drive by traffic is permitted by vehicles, banners, sign or any other means possible.**

Employees, Subcontractors, Agents, and Invitees. In these Rules and Regulations, "Tenant" includes the employees, agents, invitees, and licensees of Tenant and others permitted by Tenant to use or occupy the Demised Premises.

. Noise. Tenant shall not make, or permit to be made, any unseemly or disturbing noises or disturb or interfere with occupants of the adjacent Building whether by the use of any musical instrument, radio, television set, talking machine, unusual noise, whistling, singing, or in any other way. Tenant shall not throw anything out of the doors, windows, or skylights.

. Keys. Landlord agrees to furnish Tenant two keys without charge. Additional keys will be furnished at a nominal charge. Landlord advises Tenant to have the locks changed and obtain new keys, since other, third parties, including contractors and past tenants may have keys. **Once new keys are made the Tenant will provide these to the Landlord.**

. . HAZARDOUS MATERIALS:

- A. For purposes of this Lease, the term “Hazardous Material” means any explosives, radioactive material, hazardous wastes, or hazardous substances, including without limitation substances defined as “hazardous substances” in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended; Hazardous Materials Transportation Act of 1975, as amended; the Resource Conservation and Recovery Act of 1976, as amended; or any other federal, state, or local statute, law, ordinance, code, rule, regulation, order, or decree, relating to, or imposing liability or standards of conduct concerning hazardous materials, waste, or substances now or at any time hereinafter in effect (collectively, “Hazardous Materials Laws”), except for Hazardous Material contained in products used by Tenant in de minimus quantities for ordinary cleaning and office purposes. Except as otherwise provided in this Lease, Tenant shall not cause or permit the storage, use, generation, or disposition of any hazardous materials in, on, or about the Premises, by Tenant, its agents, employees, or contractors. Tenant shall not permit the Premises to be used or operated in any manner that may cause the Premises to be contaminated by any hazardous materials in violation of any Hazardous Materials Laws. Tenant shall immediately advise the Landlord in writing of: (1) any and all enforcement, cleanup, remedial, removal, or other governmental or regulatory actions instituted, completed, or threatened pursuant to any Hazardous Materials Laws relating to any hazardous materials affecting the Premises; and (2) all claims made or threatened by any third party against Tenant, Landlord, or the Premises relating to damage, contribution, cost recovery, compensation, loss, or injury resulting from any hazardous materials on or about the Premises. Without the Landlord’s prior written consent, Tenant shall not take any remedial action or enter into any agreements or settlements in response to the presence of any hazardous materials in, on or about the Premises.

Mechanical Operations/Storage or Use of Hazardous Materials. Tenant shall not place, install, or operate on the leased premises or in any part of the building, any engine, stove, or machinery, or conduct mechanical operations or cook thereon or therein, or place or use in or about the lease premises or project any flammable, explosive, or hazardous material without written consent of Landlord.

The tenant acknowledges that the Landlord's representative (Nick Roman) is a licensed real estate broker in the State of Colorado.

EXHIBIT "C-1"

PERSONAL GUARANTEE SL ADAMS LLC by Dustin Chavez

personally, guarantees the payments under this lease and any options that are executed by the Tenant. (please see exhibit C-1)

If Tenant is not in Default of the Lease, this Personal Guaranty shall become null and void the sooner of (i) Tenant's assignment of the lease or (ii) at the end of the 60th month of this lease.
DC (Tenant Initial). NR (Landlord Initial)

GUARANTEE BY Dustin Chavez

THE UNDERSIGNED Dustin Chavez being financially interested in the welfare of the Tenant, and as an inducement to Landlord to enter into the foregoing lease, executed this same date, does hereby guarantee that the Tenant will faithfully and promptly perform all of the terms and conditions of the foregoing Lease, and they likewise agree to be responsible for any liquidated damages which may become owing hereunder, as well as any damages to which Landlord may, at any time, be entitled by reason of breach of any of the terms and conditions thereof; and the undersigned does hereby agree that the Tenant has full authority to make any changes, modifications and alterations in the foregoing Lease which shall be agreeable to Landlord, and that such changes, modifications and alterations will not relieve the undersigned from their responsibility hereunder. The undersigned also agree that the undersigned shall not be released from the obligations of this guarantee, nor shall said obligations be diminished or otherwise affected by any assignment of this Lease, by any extension of time or other indulgence granted to the Tenant or by any waiver with respect to the terms or conditions of the Lease, or with respect to the performance and observance of any of the other obligations of the Tenant under this Lease, or by any other matter whatsoever whereby the undersigned would or might be released, it being the intent hereof that the undersigned shall, at all times, be and remain liable to Landlord to the same extent as if they were jointly and severally liable with the Tenant to Landlord for the performance of all the terms, conditions and provisions of said Lease.

This Guarantee shall be binding upon **his** and his heirs, personal representatives, successors and assigns and shall inure to the benefit of Landlord, its successors and assigns.

IN WITNESS WHEREOF, the undersigned has executed this guarantee this 16th day of April, 2024 , contemporaneously with the execution of said Lease.

Dustin Chavez



Date 19/04/24
04/18/24









Snacks Lease (1)

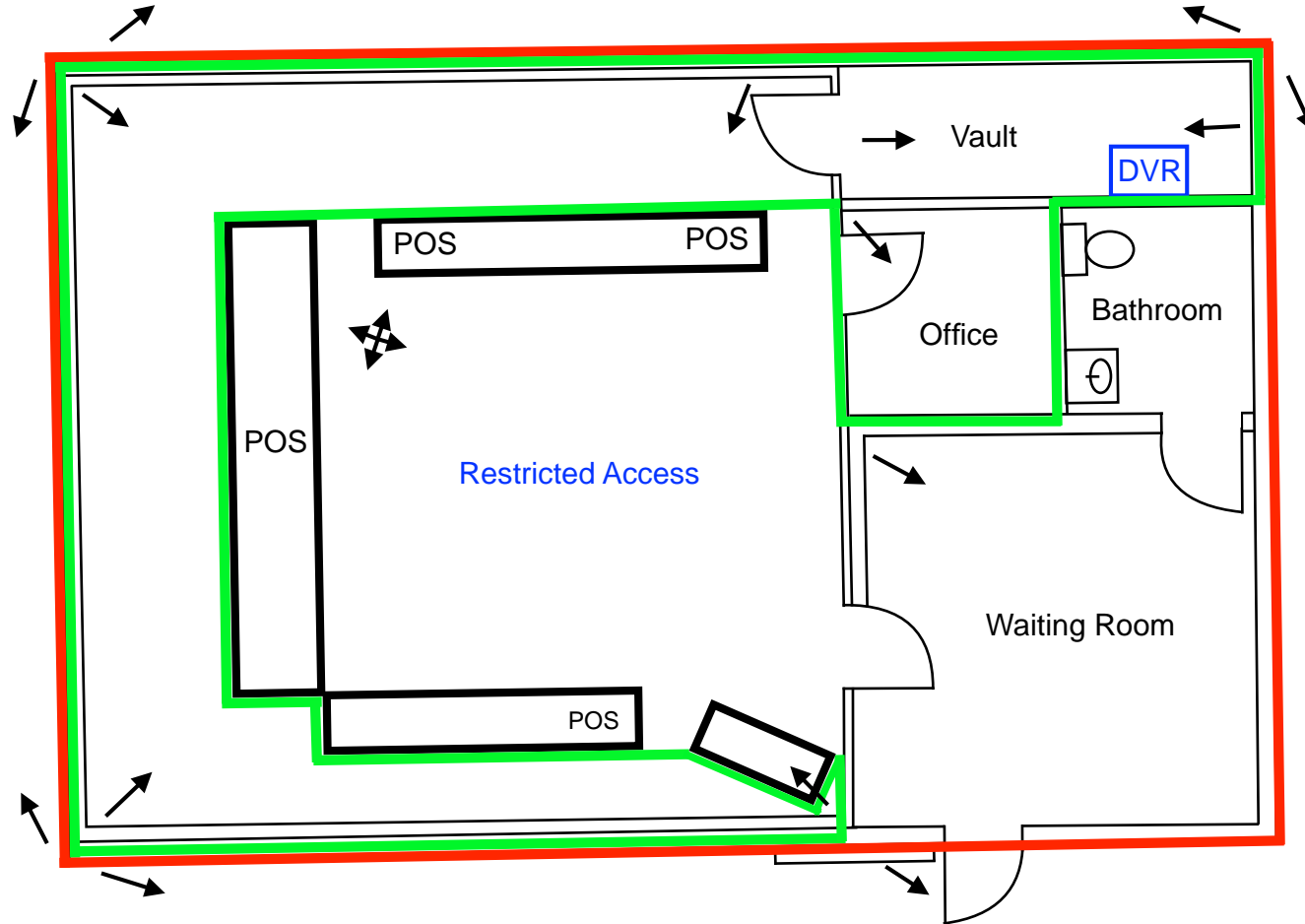
Final Audit Report

2024-04-19

Created:	2024-04-19
By:	gino rodrigues (ginorod@acomacapitalpartners.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAAIq4hKa9_m5gEtV-UQy9arZ3Zgh7x-E-

"Snacks Lease (1)" History

-  Document created by gino rodrigues (ginorod@acomacapitalpartners.com)
2024-04-19 - 2:55:12 PM GMT- IP address: 98.50.106.78
-  Document emailed to Nick Roman (natpawn@ecentral.com) for signature
2024-04-19 - 2:55:19 PM GMT
-  Document emailed to Eddie Chavez (snaxlandcolorado@gmail.com) for signature
2024-04-19 - 2:55:19 PM GMT
-  Email viewed by Eddie Chavez (snaxlandcolorado@gmail.com)
2024-04-19 - 2:55:26 PM GMT- IP address: 74.125.214.32
-  Document e-signed by Eddie Chavez (snaxlandcolorado@gmail.com)
Signature Date: 2024-04-19 - 2:57:48 PM GMT - Time Source: server- IP address: 98.38.254.92
-  Email viewed by Nick Roman (natpawn@ecentral.com)
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-  Document e-signed by Nick Roman (natpawn@ecentral.com)
Signature Date: 2024-04-19 - 7:33:10 PM GMT - Time Source: server- IP address: 24.9.221.8
-  Agreement completed.
2024-04-19 - 7:33:10 PM GMT



SLADAMS LLC
6299 Federal Blvd
Denver, CO 80221

Licensed Premise ————
Limited Access Area ————
Camera ————→