



SGI Suisun LLC dba Authentic 707

141 Sunset Avenue, Suite G

Cannabis Retail Application

Brian Mitchell
(415)336-0374 | brian.mitchell@shrynegroup.com

Commercial Cannabis Business Application

To be considered under the first Request for Application (RFA) process initiated by the City pursuant to SCC Section 18.49.160(B) and these RFA Guidelines and procedures, applications must meet the criteria set forth herein, satisfy any and all other applicable requirements as set forth in SCC Chapter 18.49, and be submitted to the City during the RFA application period of 8:00 a.m. January 9, 2020 through 5:00 p.m. April 7, 2020. Applicants must schedule an appointment to submit an application, and applications (with applicable fees) shall be submitted to the Development Services Department located at 701 Civic Center Blvd., Suisun City, CA 94585.

An informational workshop for potential applicants is scheduled for 2:00 p.m. January 28, 2020 at the Suisun City, City Hall, 701 Civic Center Blvd. Suisun City, CA 94585. Attendance at the workshop is strongly encouraged, but not mandatory. Please RSVP here: <https://suisun-city-cannabis-business-workshop.eventbrite.com>.

Each application shall include the materials and comply with the requirements set forth in these RFA Guidelines and Procedures, as follows (without limitation as to any other applicable requirements set forth in SCC Chapter 18.49 or otherwise established by or pursuant to the authority of the City Council)

Application Submission. Applicants, **by appointment**, must hand-deliver five (5) completed and signed copies of their application, including all attachments, along with a flash drive containing one completed and signed copy of the application in PDF format, and payment of the required application fees, to the City's Development Services Department during the application period. All application contents, as provided above, shall be enclosed in a sealed envelope or container and addressed to the City of Suisun City, Development Services Department, 701 Civic Center Blvd., Suisun City, CA 94585. Late applications will not be accepted or considered. No person or entity may submit multiple applications. The applicant shall be the owner(s) of the proposed Storefront Retailer that is the subject of the application. Staff will be accepting questions via the department email address developmentsservices@suisun.com as well as via phone (707.421.7335).





BUSINESS TYPE

Type 10 = Retailer

FEE

Application Deposit. Payment of an initial deposit, in the amount established by resolution of the City Council, toward the Preliminary RFA Application Review Fee is required at the time of application submission, and may be made by a certified check, cashier's check, or money order made payable to the City. Deposited amounts expended by the City are non-refundable. Deposited amounts remaining unexpended upon the conclusion of the RFA process will be refunded upon request of the fee payor.

Application Deposit for RFA Application Preliminary Review and Processing	\$4,800.00
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SGI Suisun LLC dba Authentic 707

Business Name

141 Sunset Ave. Ste. G, Suisun City, CA 94585

Property Address

Brian Mitchell

(415)336-0374

brian.mitchell@shrynegroup.com

Name of Owner (Individual)

**Owner's Telephone
Number**

Owner's Email Address





Section 1: Cannabis Business Information (attach additional pages as necessary and label)

1. Attach a complete list of every person with 20% interest or more in the business including full name, title within the entity, birthdate and location, social security or tax identification number, phone number, e-mail, the date owner acquired interest in entity, the percentage of ownership interest, and if applicable, the number of shares owned, financial interest in other cannabis business, etc. (Additional page label #1.1)

See Attachment

2. A complete list of every person holding a management role including name, personal address and phone number, title and duties. (Additional page label #1.2)

See Attachment

3. For each owner and manager, a fully legible copy of one (1) valid government-issued form of photo identification, such as a driver's license, shall be submitted. (Attach and label #1.3)

See Attachment

4. For each owner and manager, a summary criminal history (Live-Scan), dated not more than two weeks prior to the date of this application, has been processed through an authorized operator. The City will receive results of the Live-Scan directly. Live-Scan is available at the Suisun City Police Department, appoint is necessary. Please email akent@suisun.com for more information. (Attach and label #1.4)

See Attachment

5. A list of types and numbers of marijuana licenses already received by the applicant from the State of California, including the date the license was obtained, the licensing authority that issued the license, and the location. (Attach additional pages as necessary and label #1.5)

Business Name	Location	License Permit Authority	Permit License Number
See Attachment			



Section 2: Scoring Criteria for Application Evaluation.
(attach additional pages as necessary and label)



The City will consider the following selection criteria in its evaluation of applications submitted under this RFA and will award up to a maximum of **200** points to each application received.

Site Control	15
Business Plan	30
Floor Plan/Elevations	25
Qualification of Applicants	20
Neighborhood Compatibility	30
Safety and Security Plan	25
Community Benefits, Labor, & Employment	30
Air Quality Control Plan	25





Section 2.1 Site Plan

A scaled site plan, prepared by a licensed civil engineer or architect, of the premises, including at minimum all buildings, structures, driveways, parking lots, landscape areas, and boundaries.

Section 2.2 Floor Plan / Elevations

Depict existing and proposed conditions. The floor plan(s), elevations, site layout and vector isometric renderings should be accurate, dimensioned and to-scale (minimum scale of 1/4"). If new building construction is proposed, provide a preliminary site layout and floor plan, preliminary elevations, vector isometric renderings.

Section 2.3 Safety & Security Plan

The application shall include:

- A detailed security plan meeting and confirming ability to comply with the requirements of SCC Section 18.49.150(H) and the Supplemental Security Requirements for Storefront Retailers/Dispensaries adopted by the City Council. This plan should also include a description and detailed schematic of the overall facility security of the proposed use. It should have details on operational security, including but not limited to general security policies for the facility, employee specific policies, training, sample written policies, transactional security, visitor security, third party contractor security and delivery security. In particular, applications should address ingress and egress, perimeter security, product security (at all hours), internal security measures for access (area specific), types of security systems (alarms and cameras), and security personnel to be employed. Security plans will not be made public.
- A detailed fire safety plan. This plan should describe the fire prevention, suppression, HVAC and alarm systems the facility will have in place. An appropriate plan will have considered all possible fire, hazardous material, and inhalation issues/threats and will have both written and physical mechanisms in place to deal with each specific situation. The plan should reflect compliance with all applicable provisions of the California Fire Code and other applicable laws and regulations.
- A detailed fire evacuation plan. This plan should depict the location of all exits, the primary and secondary evacuation routes, and the distance to all exits. The plan should reflect compliance with all applicable provisions of the California Fire Code and other applicable laws and regulations.

Section 2.4 Transportation Plan

A transportation plan describing the procedures for safely and securely transporting cannabis and cannabis products and currency to and from the premises.





Section 2.5 Air Quality / Odor Control Plan

Describe how interior air circulation, ventilation and filtration systems will minimize impacts to employees' and customers' health and welfare and prevent any odor impacts to surrounding businesses or the public.

Section 2.6 Disposal Plan

Procedures for identifying, managing, and disposing of litter, waste, and contaminants and hazardous materials pursuant to Section 18.49.150(M)-(N).

Section 2.7 Business Plan

With as much detail as possible, describe:

- The day-to-day operations of the proposed Storefront Retailer, which are to meet industry best practices for Storefront Retailer uses.
- How the proposed use will conform to local and state laws and regulations.
- How cannabis and cannabis products will be tracked and monitored to prevent theft and diversion.
- A schedule for commencement of operation, including a narrative outlining any proposed construction and improvements and a timeline for completion of work.
- A budget for construction, operation, maintenance, compensation of employees, equipment costs, utility costs, and other operation costs. The budget must demonstrate sufficient capital in place to pay startup costs and at least three months of operating costs, and must describe the sources and uses of funds.
- A pro forma for at least three years of operation.

Section 2.8 Operations Plan

An operations plan, detailing the operating procedures of the proposed commercial cannabis business, tailored to the specific type of business proposed. Such procedures shall address, without limitation, storage, handling and use of cannabis, cannabis products, and any other materials to be used or contained in the proposed operation, handling of cash, equipment and methods to be used, inventory procedures, lighting, signage and quality control procedures, as applicable.





Section 2.9 Qualification of applicants

Include information concerning applicant's past experience with operation of any commercial cannabis businesses, including, but not limited to, Storefront Retailers/Dispensaries. Provide details on all such businesses that have been under the full or partial ownership or management of the applicant, including the full legal name, location, commencement date, and current status of the operation (including date of termination of the business and description of the reason for termination, if applicable). To the extent applicable, disclose and describe:

- (1) any and all state or local cannabis permits or licenses currently held by the business or applicant;
- (2) any administrative order or civil judgment ever entered against the business or applicant for violation of labor standards;
- (3) any suspension or revocation of a state or local cannabis license or permit ever held by the business or application; and
- (4) any sanctions for unlicensed/unpermitted commercial cannabis activity ever imposed by a state or local agency against the business or applicant. Describe any special qualifications or licenses of the applicant that would add to the number or quality of services that the proposed Storefront Retailer would provide, especially in areas related to medicinal or scientific applications of cannabis or cannabis products.

Section 2.10 Site Control

Provide a statement regarding whether the applicant has legal control of the proposed Storefront Retailer site or location. The City considers site control a requirement in enabling an operator to commence business activities in a timely manner. Demonstration of any legal control through proof of ownership, tenancy, or other legal right or entitlement to control of the site should be included with the application. Scoring is as follows:

- Lease 5 points
- Ownership/Substantial Renovation 10 points
- New Building 15 points

Section 2.11 Neighborhood Compatibility – Good Neighbor Policy

Address the degree to which the proposed use is compatible with surrounding uses and how the proposed use, including its exterior areas and surrounding public areas, will be managed to avoid becoming a nuisance or having impacts on its neighbors and the surrounding community. Include a site plan (accurate, dimensioned and to-scale) for the proposed location. Every cannabis business must describe how the business interacts with the neighborhood. You need to meet with your neighbors to get feedback on what to include in your Good Neighbor Policy for your business, they in turn will be added to you conditions of approval.





Section 2.12 Community Benefits

Describe the benefits that the proposed use would provide to the local community, such as community contributions, participation in or support of community organizations, drug abuse awareness education, or other contributions or activities that will benefit the community.

Section 2.13 Criminal History Check

As part of the RFA Process, each owner and manager of the proposed Storefront Retailer must undergo a criminal background check, administered by the Suisun City Police Department using “Live Scan,” demonstrating that he or she has not been convicted within the last ten years of a felony substantially related to the qualifications, functions or duties of operation of a Storefront Retailer (such as a felony conviction for distribution of controlled substances, not including cannabis, money laundering, racketeering, etc.). All fees and costs associated with completing background checks shall be paid by the applicant. No individual who does not undergo and pass the required background check shall be involved in the operation or ownership of a Storefront Retailer in the City, unless such individual has obtained a certificate of rehabilitation (expungement of felony record) for the applicable transgression(s) under California law or under a similar federal statute or state law where the expungement was granted. The application for the Live Scan and appointment link will be made available on the City’s website. Persons who do not meet criminal history eligibility requirements will be disqualified from the RFA process.

Section 2.14 Labor and Employment

If applicant is proposing higher wages the application could describe to what extent the Storefront Retailer will adhere to heightened pay and benefits standards and practices, including recognition of the collective bargaining rights of employees. Specific practices that are subject to consideration include the following:

- i. Providing a description of proposed payroll practices/use of payroll consultants that document employee compensation.
- ii. Providing compensation to and opportunities for continuing education and training of employees/staff (include proof of the proposed business’ policies and regulations for employees);
- iii. Providing a “living wage” to the proposed business’ staff and employees. The proposed wage scale should be provided in writing for all levels of employment within the business. “Living Wage” shall mean 150% of the minimum wage mandated by California or Federal law, whichever is greater.
- iv. Describing the extent to which the proposed business will be a locally managed enterprise whose owners reside in or within the vicinity of the City.





Section 2.15 Proposed Location

Include the address, assessor’s parcel number(s), and a detailed description of the proposed location. This section should also describe and generally characterize all uses within 600 feet of the property line of the proposed location. The proposed site must be located in the Commercial Services and Fabrication (CSF) zone and may not be located within 600 feet of a K-12 school, commercial daycare center, or center.

Brian Mitchell

Brian Mitchell (May 5, 2020)

Signature Owner

May 5, 2020

Date

Brian Mitchell

Print Name

May 5, 2020

Date



Dear Suisun City,

SGL Suisun LLC d/b/a Authentic 707 (“Authentic 707”) is applying for a cannabis dispensary license and hereby submits its Commercial Cannabis Business Application – Storefront Dispensary. This cover letter is an overview of our core values and qualifications which are more fully described in the application.

As a local resident who has lived in Fairfield for most of my adult life, I am honored to be able to submit this application for your consideration. Most of my family and many of my friends live in Suisun City and Fairfield and it would be a dream come true to be able to share my life’s work of educating the public on the benefits and safe use of cannabis.

MISSION

Shryne Group, Authentic 707’s parent entity, was founded in 2017 by James Kim and myself with the goal of providing Californians the safest and most reputable cannabis products in a modern and inclusive retail environment. With this merger of various businesses James and I had built, we have quietly put together a diverse, fully integrated cannabis portfolio which includes three cultivation, two manufacturing, two distribution and fifteen retail licenses across the entire state of California.

As one of California’s only truly vertically integrated cannabis companies, Shryne Group’s mission is to cultivate, produce and sell the safest cannabis products to our customers and other cannabis firms, while embracing an inclusive and diverse culture at the corporate and operational levels. The store name Authentic 707 reflects our belief that a business should instill the values of the community in which it operates and should contribute towards the benefit of the entire neighborhood.

Safety

As a cancer survivor who was introduced to the healing effects of cannabis during my recovery, I have dedicated the last 12 years of my life to cultivating the purest and safest cannabis products for other cancer patients and sufferers of epilepsy, physical injuries, anxiety and other ailments. Shryne Group has allowed me to fulfill this mission through our four cultivation operations in California which produce 56,000 pounds of cannabis per year. All 28+ tons are inspected and tested daily for pesticides, microbiological contaminations and other hazardous materials. Our two manufacturing facilities, totaling 17,500 square feet, utilize the most rigorous safety and testing standards in the industry in partnership with outside safety testing firm, CannaSafe.

We pursue our mission to provide consumers with the purest and most rigorously tested product by selling our products at our own retail stores in Los Angeles, San Francisco, Davis, Palm Desert, Modesto and Alameda. By stocking the shelves mostly with our own carefully cultivated and tested products and the remainder with third party products that have passed Shryne Group’s industry best testing standards, our retail stores provide customers with the safest and most effective products in the industry.

Inclusion

Shryne Group is a minority owned business¹ and its owners and employees reflect the diverse ethnic and cultural backgrounds of the California communities in which we operate. The fact that five of our seven C-suite level executives are minorities and the company of over 350 people is comprised of 64% minority employees is not an accident. James and I both grew up in California and one of our goals when starting Shryne Group was that it would ensure the diversity of its employees and customers so that people from all walks of life would be able to participate in the job opportunities and the benefits associated with the legal cannabis industry.

Our store concept and design reflect this sense of inclusion as well. While our stores with their futuristic retail pods and sleek interior provide a luxury shopping experience, each of our stores has an inviting feel with open floor plans, high ceilings and artwork from local artists. Visitors are encouraged to enjoy the visual experience of the murals and other displays of local art and can also peruse our gift shop and accessories area with the assistance of our staff. Our highly trained employees are taught to educate and welcome the customers with the help of our proprietary customer education materials.

Our mission to welcome adults of all socioeconomic backgrounds and ages to our stores is also reflected by the array of products at varying price points that we carry. We carry up to 12 different types of products, including flowers, oils, topicals and edibles, from over 50 California vendors in addition to our in-house products. We also offer products at a wide range of price points. From very high-end artisanal products for special occasions to more affordable products for cost sensitive customers, we have something for everyone so that no one is excluded from our luxury shopping experience. As an example, our vertical integration permits us to sell our lowest priced in-house flower at approximately \$5.25 a gram, which is 60% cheaper than the average price of flower at other legal dispensaries in California.²

As part of our mission to embrace all of the stakeholders of the communities in which we operate, we engage and partner with them to create a symbiotic relationship. Examples include:

- Hiring 85-90% of all retail store employees from within the city in which we operate;
- Protecting employees' rights by having all retail employees unionized with the United Food and Commercial Workers (UFCW) International Union;
- Paying such employees living wages of between \$18.00 – \$35.00 an hour and providing health and dental insurance;
- Hiring local vendors such as local contractors, janitorial companies and IT companies;
- Sponsoring local causes by:
 - Partnering with local Boys & Girls Clubs, homeless organizations such as PATH and other local non-profits by contributing money and volunteering to such organizations,
 - Sheltering 500 homeless people for a 20-month period at our temporary homeless shelter in Sacramento,

¹ Authentic 707 is in the process of becoming certified as a Minority Business Enterprise.

² <https://marijuanarates.com/blog/california-marijuana-prices/>

- Hosting a Veterans Day month-long event at all of our stores where 20% of proceeds of in-house products were donated to veterans.
- An apprenticeship and work development program which provides on the job training, scholarships at local colleges and pathways for management positions at Shryne Group.

SUCCESS

While our mission of providing the safest and most effective products while including the communities in which we operate in the success of our business crystalized organically by our belief in these missions, these missions have also bolstered our success. For example, our product brands such as Stiiizy and Liit have developed a cult-like following in California due to its industry wide reputation for purity and safety and its local roots in California. The diversity of our company has allowed us to be forward thinking and allowed us to connect with the similarly diverse customer base from a brand and demand perspective. Add the fact that our vertical integration permits us to sell products for 27% less than our competitors, and you have the most successful cannabis company in California.

Our other missions, qualifications and experiences are discussed in more detail in the application. We hope that we can share these missions and replicate the success we have had with other cities with Suisun City.

Sincerely,

Brian Mitchell

CEO

SECTION 1.1: Owner Information

Brian Christopher Mitchell

Title: Managing Director

Birthdate and Location: [REDACTED]

SSN: [REDACTED]

Phone Number: (415)336-0374

E-Mail: brian.mitchell@shrynegroup.com

Date Owner Acquired Interest: February 4, 2020

Percentage of Ownership Interest: 51%

Shryne Group, Inc.

Title: Parent Company

Birthdate and Location: N/A

Tax ID: 83-4117033

Phone Number: (415)336-0374

E-Mail: brian.mitchell@shrynegroup.com

Date Owner Acquired Interest: February 4, 2020

Percentage of Ownership Interest: 49%

SECTION 1.2: Managers and Duties

Brian Mitchell

Personal Address: [REDACTED]

Phone Number: [REDACTED]

Title: CEO / Owner

Duties:

- Direct all aspects of the business
- Form relationships with organizations, city officials, and stakeholders
- Engage local vendors and suppliers and oversee hiring of all employees.
- Ensure business is giving back to the Suisun City community.

James Kim

Personal Address:

Phone Number:

Title: Chief Retail Officer

Duties:

- Manage vendor relationships and analyze sales data and market trends to stock proper inventory
- Implement SOPs for new stores
- Market and advertise store and products to increase customers and sales

Andrew Hopkins

Personal Address:

Phone Number:

Title: Chief Compliance Officer

Duties:

- Review and comprehend current and new laws and regulations regarding the cannabis industry
- Train all levels of staff on comprehension and application of all laws and regulations
- Draft memos to be read by all levels of staff regarding changes and updates to laws and regulations
- Write, manage, update, and train on standard operating procedures for successful and compliant operations of the entities
- Perform random/unannounced internal audits of all cannabis operations across the state to ensure compliance of laws and regulations
- Create action items for staff members to fix any discrepancies between operation and compliance

TBD

Personal Address: TBD

Phone Number: TBD

Title: General Manager

Duties:

- Manage day-to-day operations
- Establish dispensary-level plans and disseminate across all levels of staff
- Report to owners/corporate on monthly, quarterly, and yearly basis
- Hire, train, discipline, and terminate employees as needed
- Process inventory
- Perform internal audits on both product and cash
- Product sourcing
- Manage vendors, deliveries, and repairs
- Ensure compliance with local and state laws and regulations
- Handle cash payments, deposits, withdrawals, and counts
- Ensure all Safety and Security Procedures are followed
- Address and rectify customer/neighbor concerns or comments
- Conduct performance reviews with employees & monitor employee productivity, attitudes, and performance results
- Maintain excellent facilities conducive to enhancing employee productivity
- Provide company-wide communication & manage change
- Ensure employee safety, wellness, and health & welfare

TBD

Personal Address: TBD

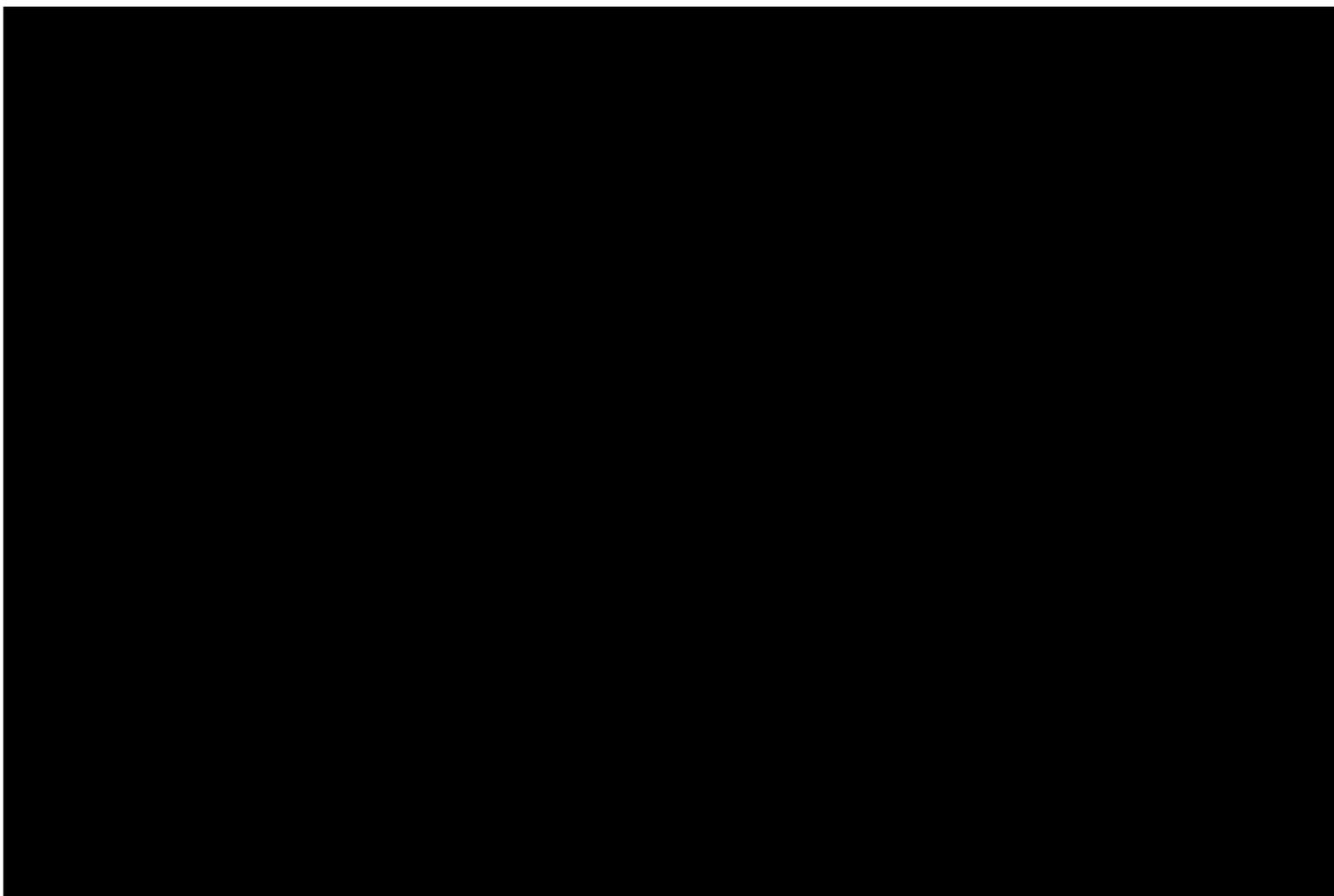
Phone Number: TBD

Title: Manager

Duties:

- Maintains an accurate and up to date knowledge of BCC compliance regulations
- Cover General Manager duties when General Manager is absent
- Reports to the General Manager
- Creates/oversees staff schedules, finding coverage if needed for sick time, vacation time off
- Onboard employees and ongoing training
- Perform Human Resource duties at store-level
- Process payroll
- Ensures that store/grounds are clean and presentable; manages repair and maintenance; responds to emergencies.
- Supervises inventory and inventory control
- Works with leadership team to create budgets and forecast sales
- Sets sales, service and profit goals and leads staff to exceed them
- Keeps up on product knowledge and changes in the industry
- Manages financial records and cash handling procedures
- Attends and contributes to weekly leadership meetings
- Communicates with and coaches staff to ensure superior customer service, sales performance, and product knowledge
- Resolves customer complaints and helps respond to customers' special needs
- Assist Sales Associates when needed on Sales Floor

SECTION 1.3: Government ID



SECTION 1.4: Live Scans

Please see Section 2.13 for the Live Scans of Brian Mitchell, Owner, James Kim, Co-Owner of Shryne Group, and Andrew Hopkins, Chief Compliance Officer. Only Brian and Andrew will be involved in the day-to-day operation of the business.

SECTION 1.5: List of Licenses

Business Name	Date	Location	License Permit Authority	Permit License Number
JBTB Holdings, Inc.	4/10/18	1031 98th Ave. Oakland, CA 94603	BCC	C11-0000586-LIC
JBTB Holdings, Inc.	5/15/19	1031 98th Ave. Oakland, CA 94603	CDPH	CDPH-10003198
BCOK, Inc. dba Stiiizy Mission	5/14/19	3326 Mission St. San Francisco, CA 94110	BCC	C10-0000053-LIC
Ironworks Collective, Inc. dba Stiiizy	12/10/18	718 E Commercial St. Los Angeles, CA 90012	BCC	C10-0000346-LIC
Ironworks Collective, Inc.	5/20/19	718 E Commercial St. Los Angeles, CA 90012	CDPH	CDPH-10003246
Ironworks Collective, Inc.	12/14/18	718 E Commercial St. Los Angeles, CA 90012	BCC	C11-0000620-LIC
Olive Drive Enterprises, LLC dba Stiiizy Davis	12/5/18	965 Olive Dr. Suite G1 Davis, CA 95616	BCC	C10-0000112-LIC
Strategic Green Partners LLC dba Palm Desert	12/19/18	72180 Highway 111 Palm Desert, CA 92260	BCC	C10-0000275-LIC
CV Wellness, LLC dba Stiiizy Modesto	7/17/19	426 McHenry Ave. Modesto, CA 95350	BCC	C10-0000448-LIC
Farm 87 dba Briceland Farms	4/8/19	1550 Old Summerville Creek Rd. Unincorporated, CA 95542	CDFA	PAL18-0000577
Main Street Supply	9/24/19	1528 Webster St. Alameda, CA 94501	BCC	C10-0000623-LIC
Screaming Eagle	12/06/2019	5434 Mission Blvd., Jurupa Valley, CA 92509	BCC	C10-0000661-LIC
Nibble This Inland LLC	2/17/2020	506 Inland Center, San Bernardino, CA 92408	BCC	C12-0000150-LIC
SGI Ducommun LLC	12/19/2019	706 Ducommun St Los Angeles, CA 90012	CDFA	CCL19-0005368
LDE Logistics	7/1/2019	1031 98th Ave. Oakland, CA 94603	BCC	C11-0000601-LIC
LDE Logistics	7/1/2019	1031 98th Ave. Oakland, CA 94603	CDFA	CCL18-0000214

SECTION 2.1: Site Plan

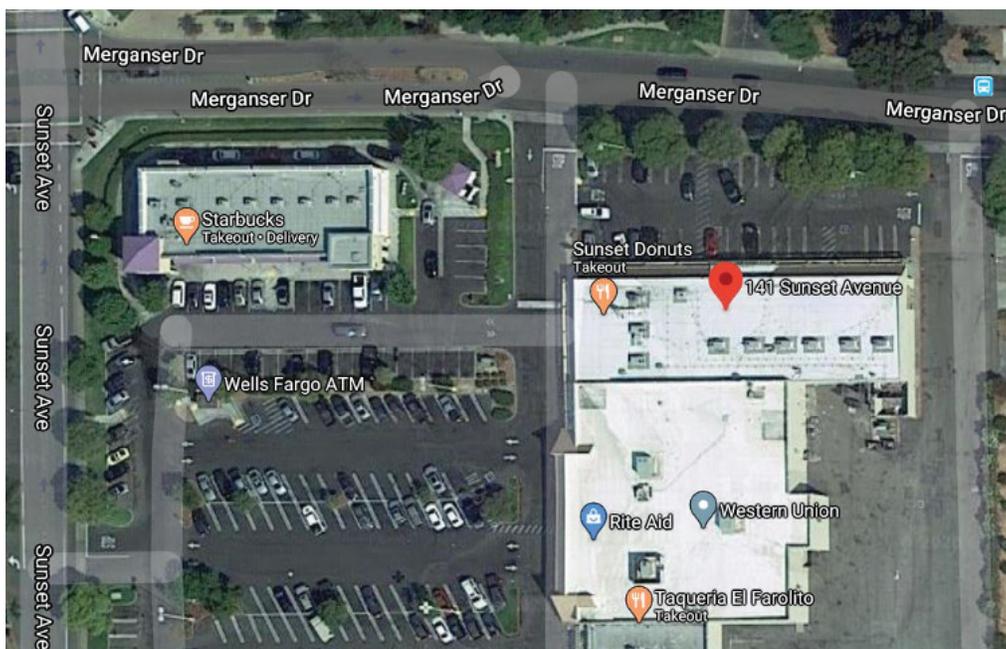
Attached as Exhibit A is a scaled Site Plan of the existing layout of the entire Shopping Center. It was surveyed by Sitetech Inc. based out of Oak Glen, California. Our suite is located on the North side of the property at 141 Sunset Ave. Suite G, Suisun City, CA 94585.

Section 2.2: Floor Plan/Elevations

Attached as Exhibit B is a floor plan and elevation.

The property at 141 Sunset Ave. Suite G is currently vacant. Here are some images of the current view of the property:

Aerial View



Frontage along Merganser Drive



View of the Back of the Suite



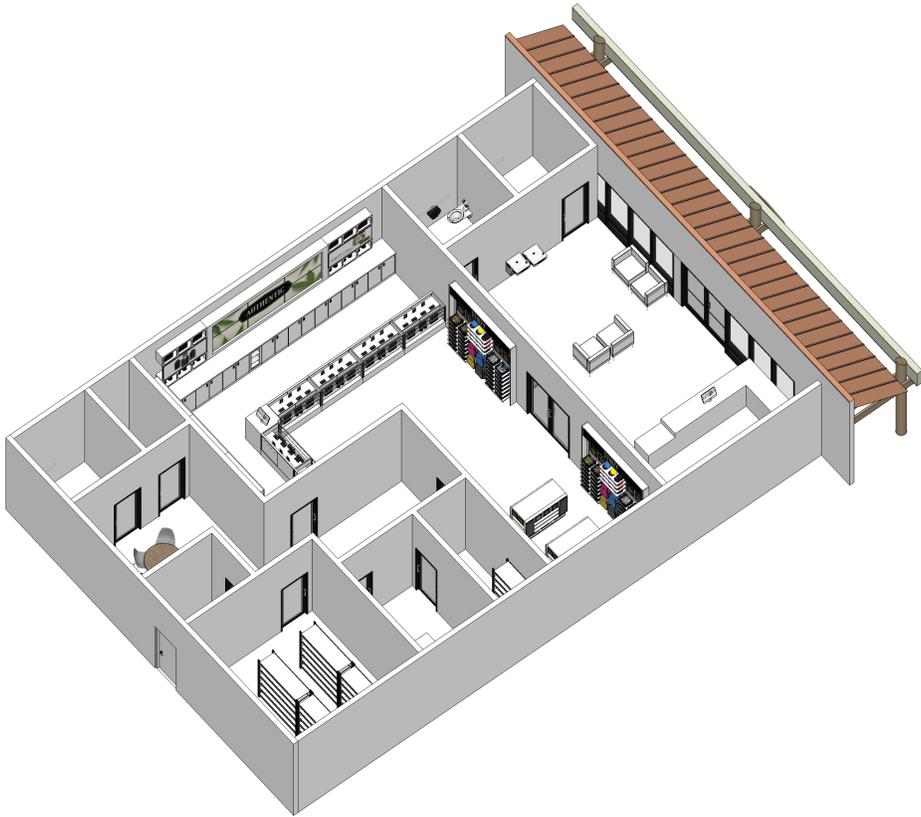
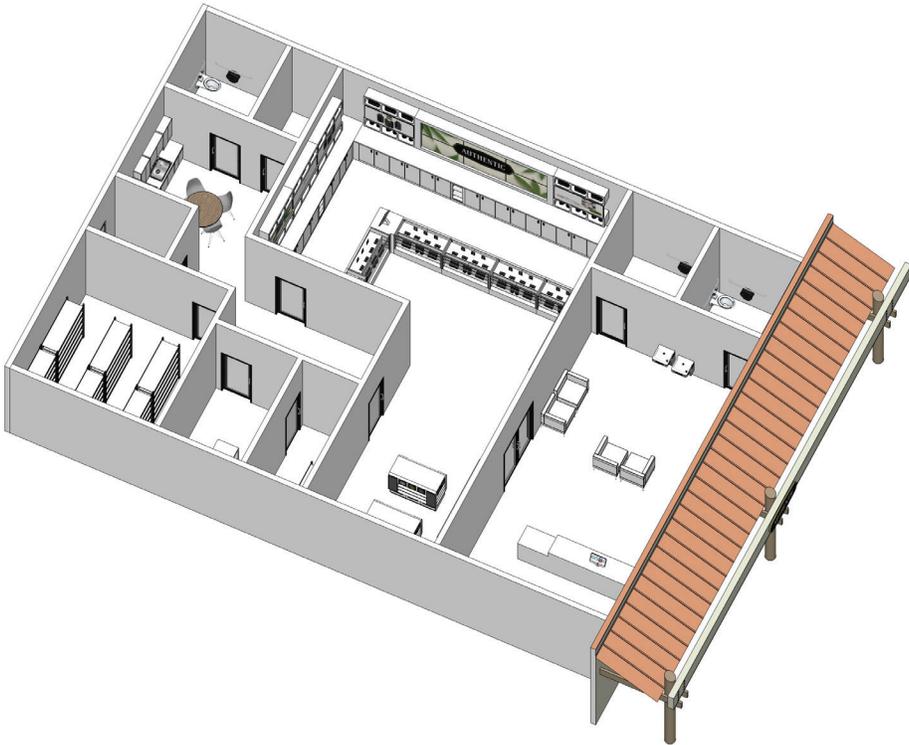
View of the Western side of Building

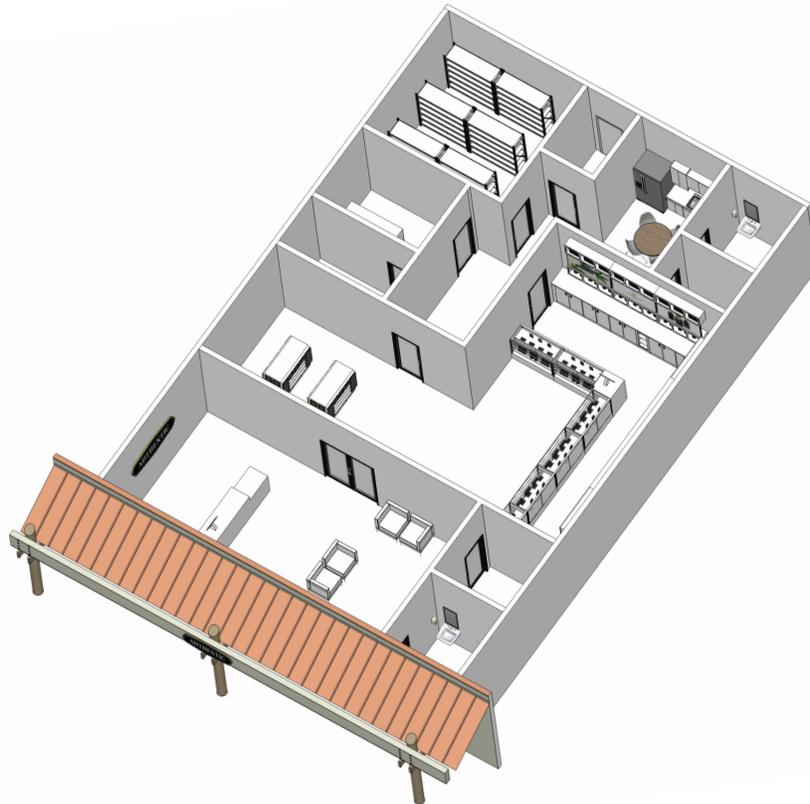
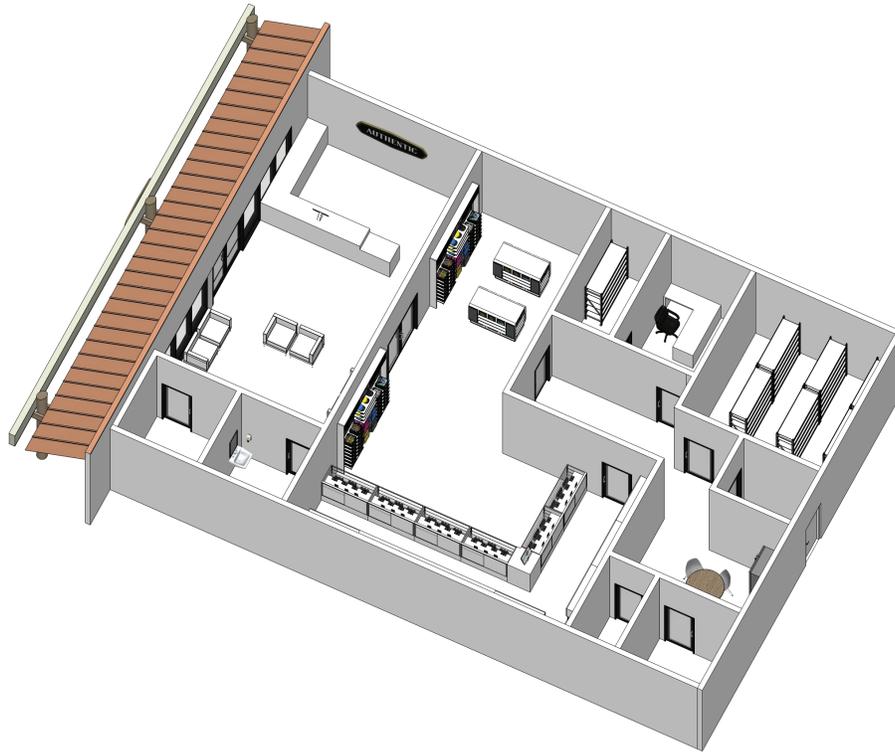


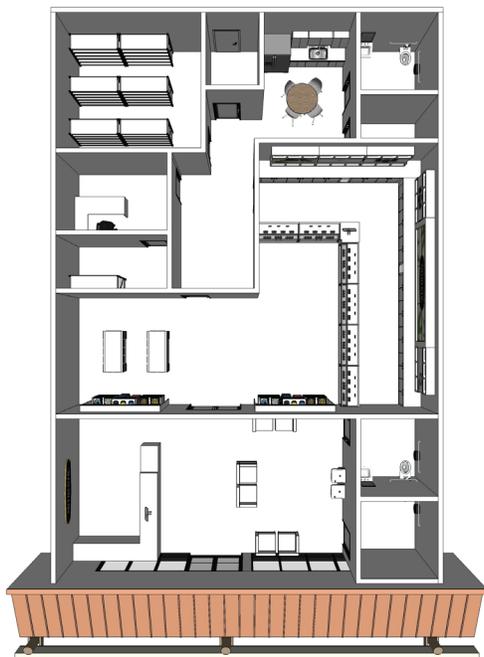
View of the Eastern side of the Building



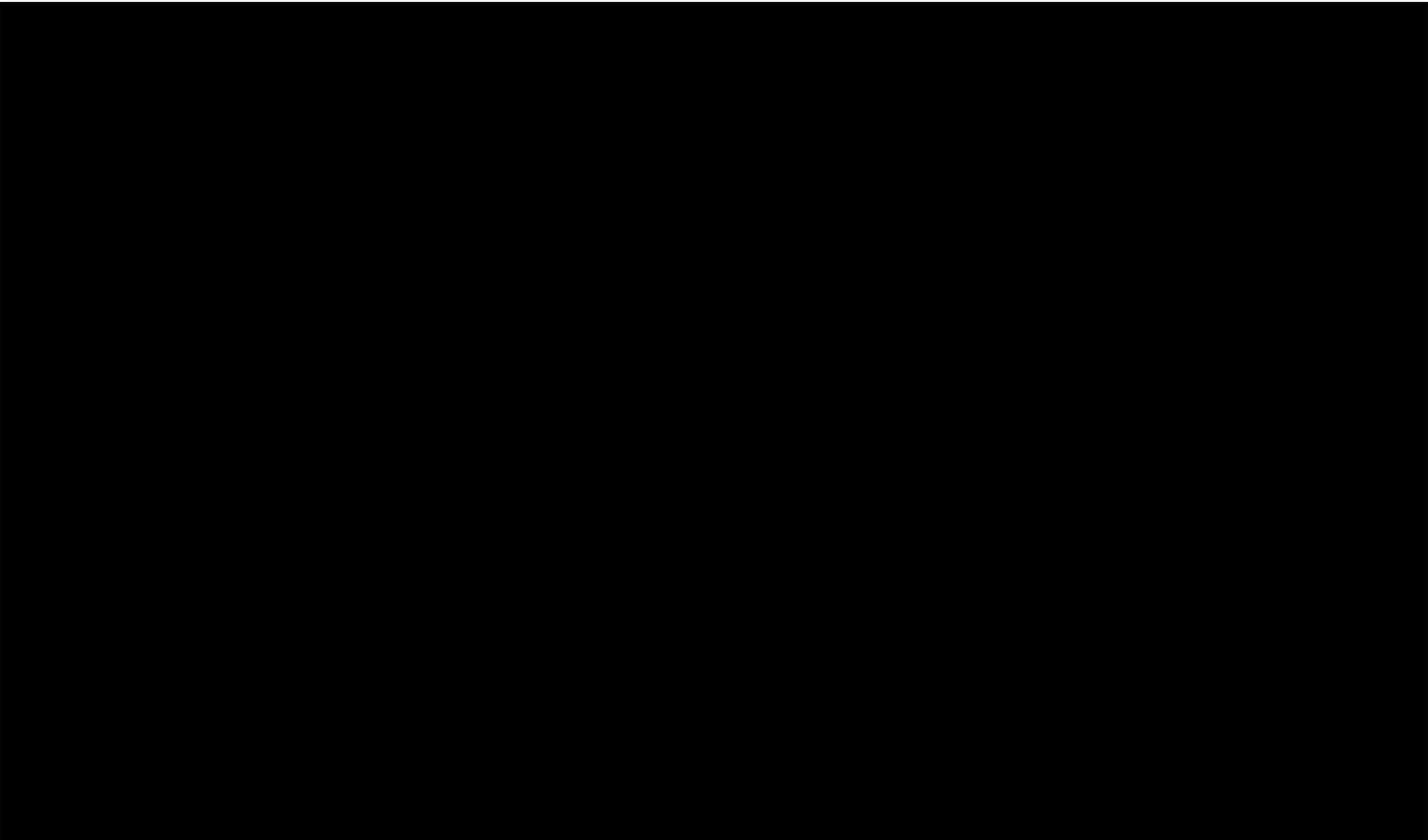
The following images are the vector isometric renderings of our proposed leased location.

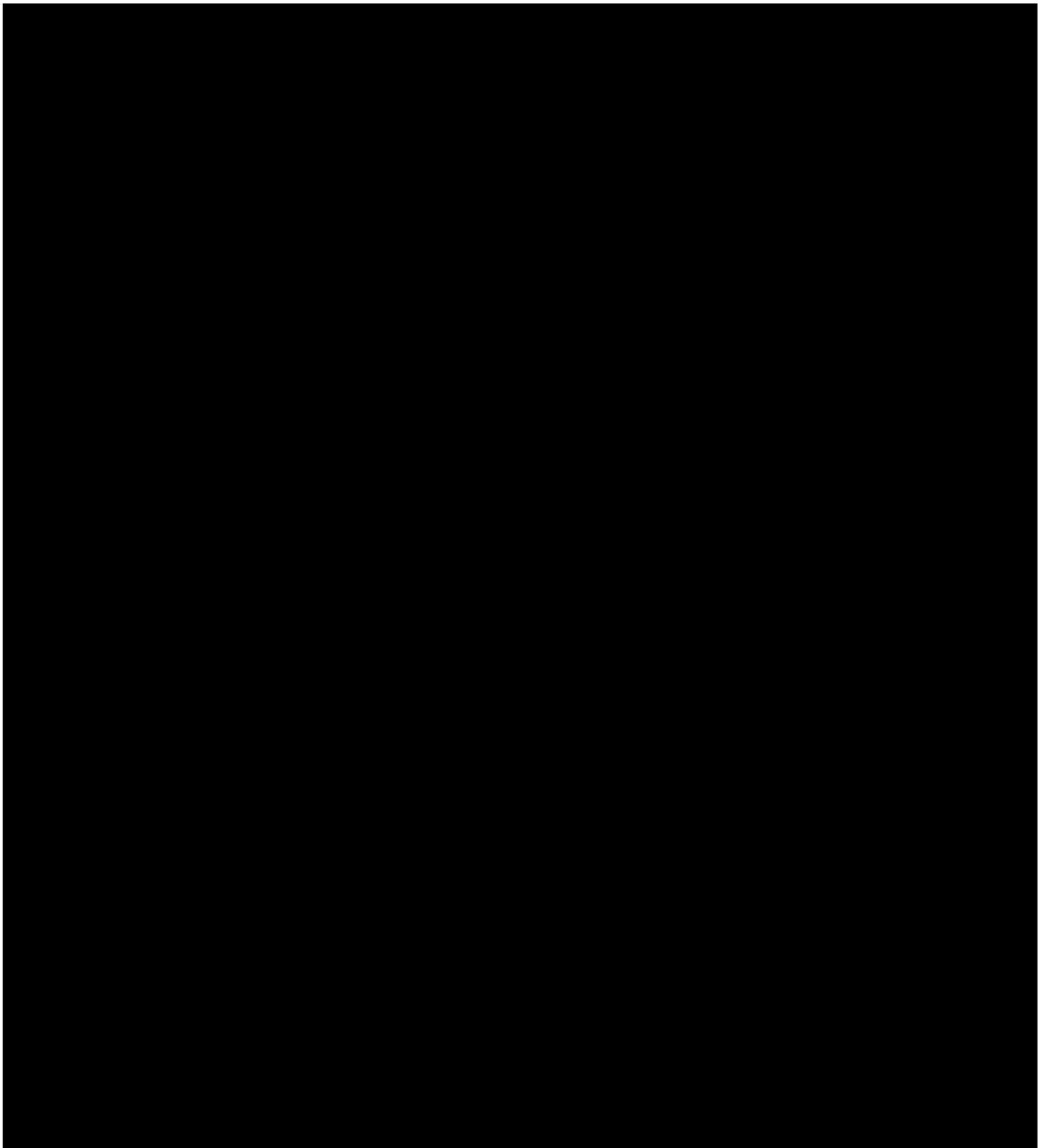


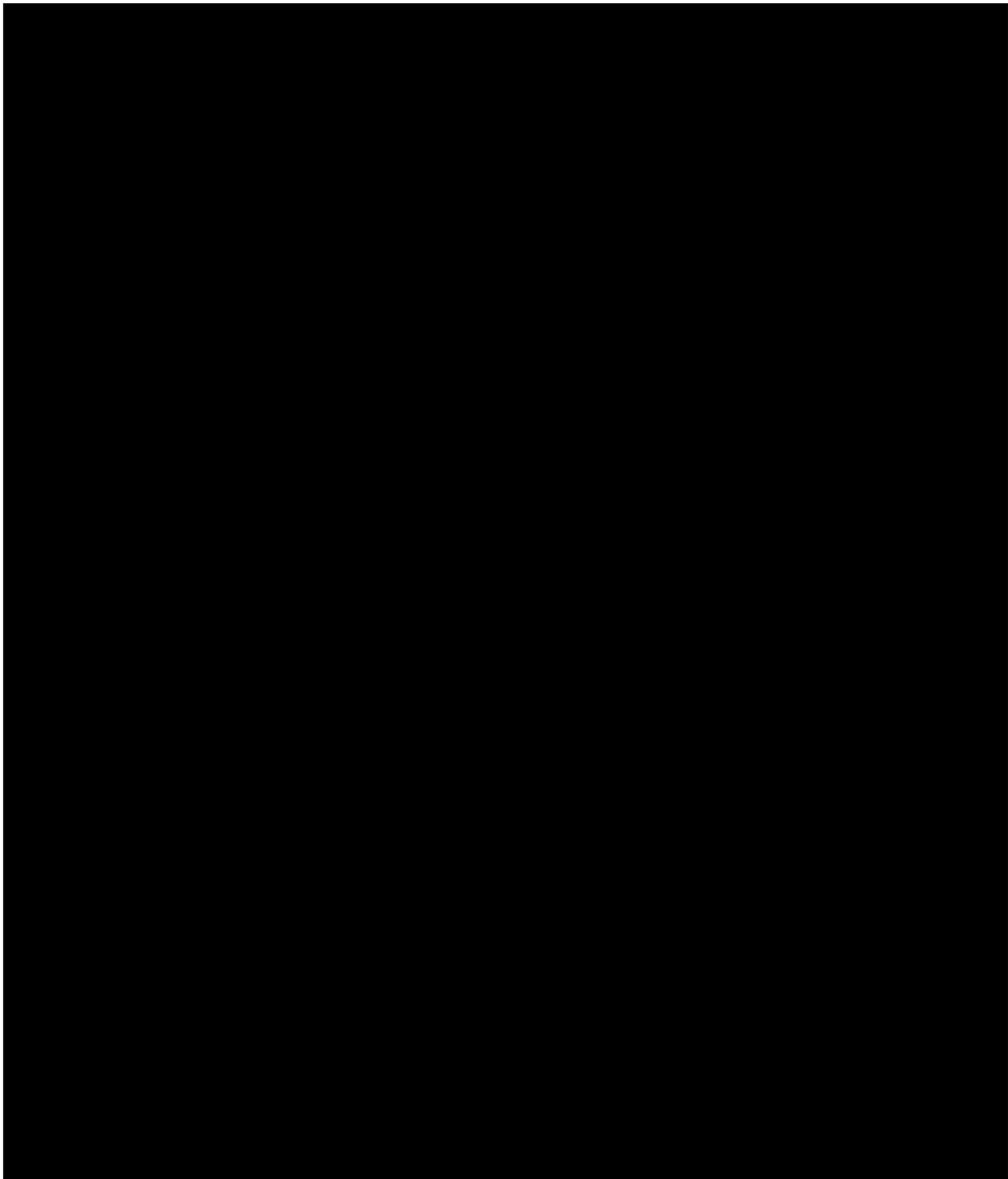


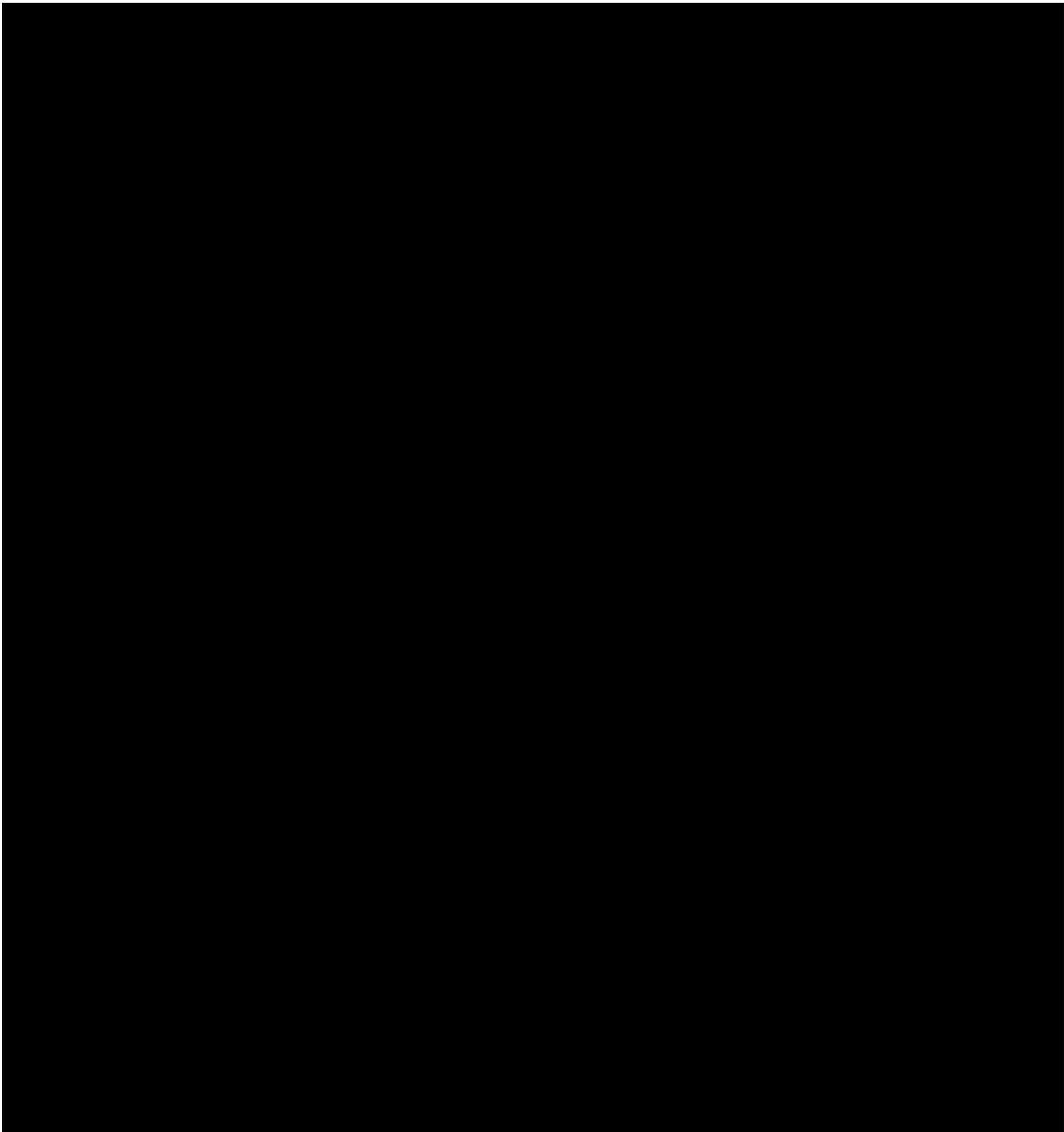


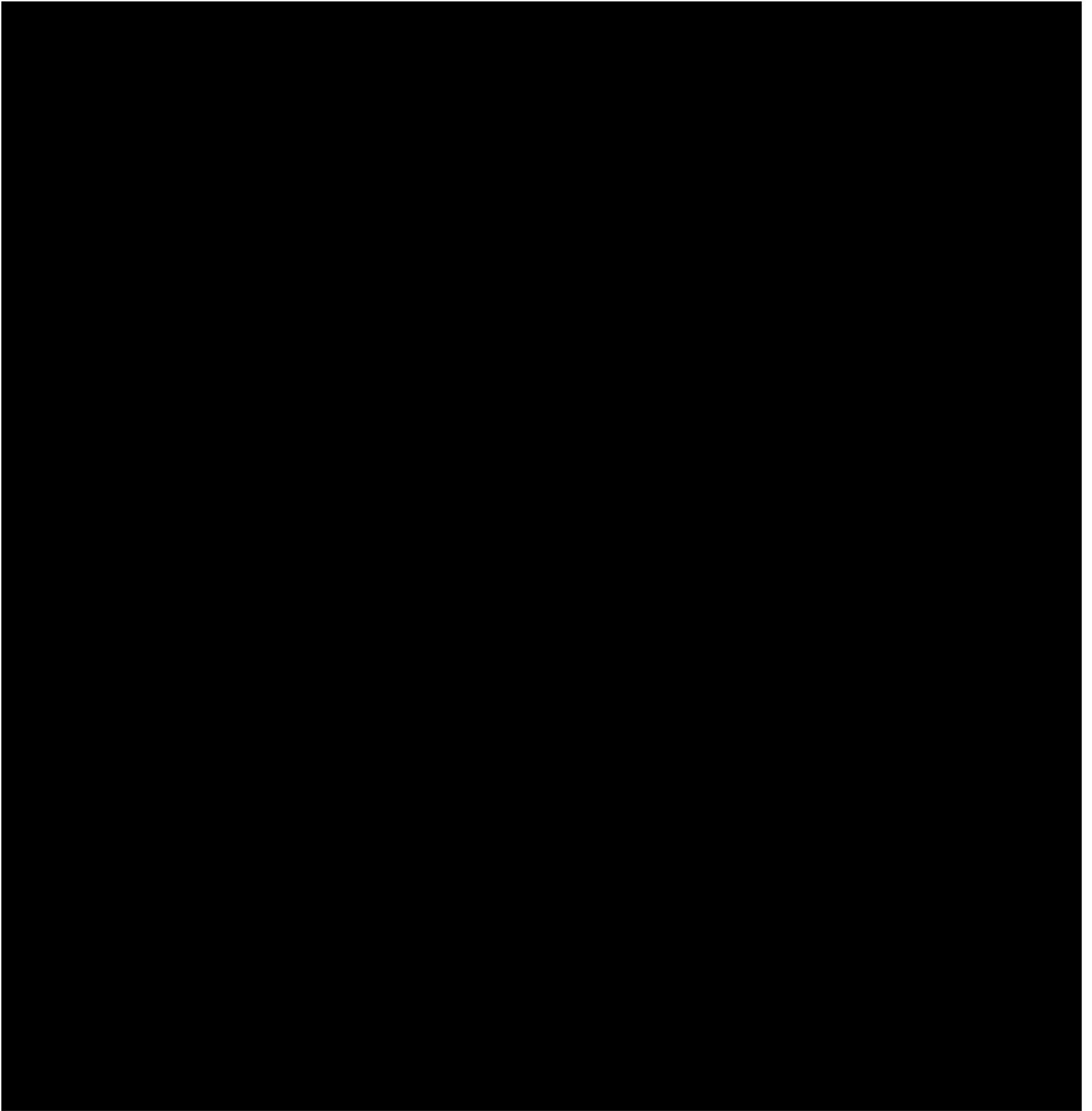
Section 2.3: Safety and Security Plan

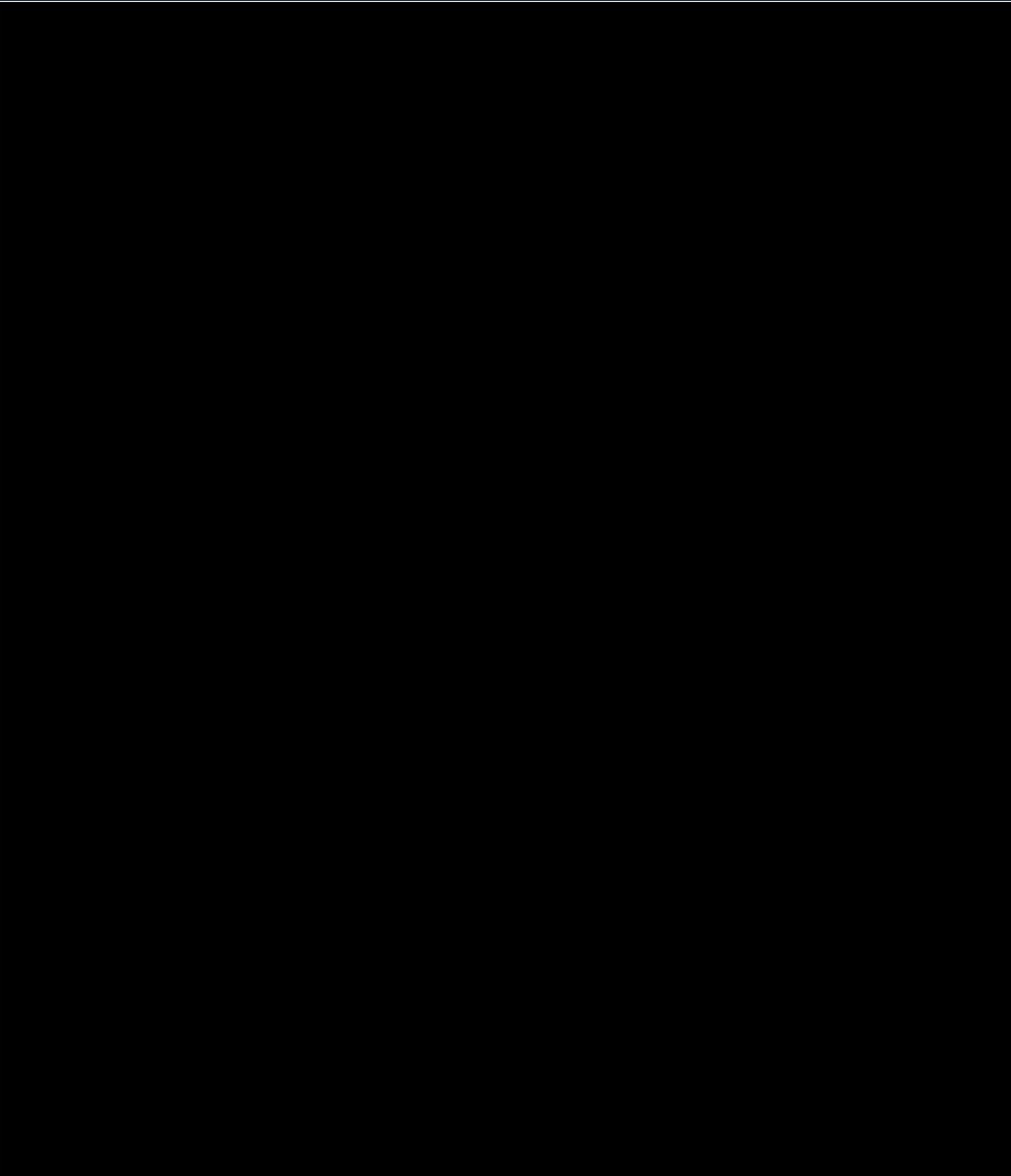


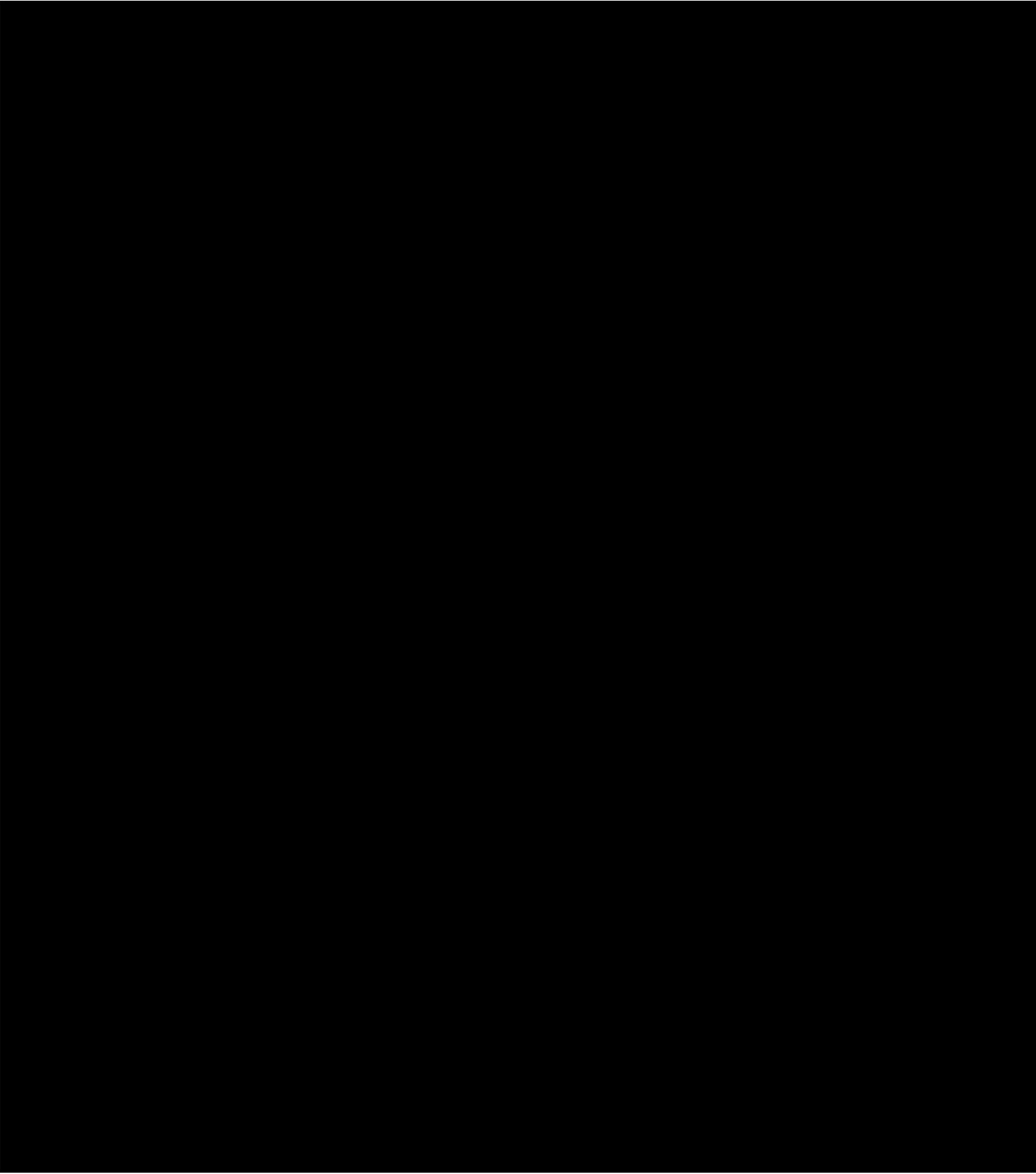


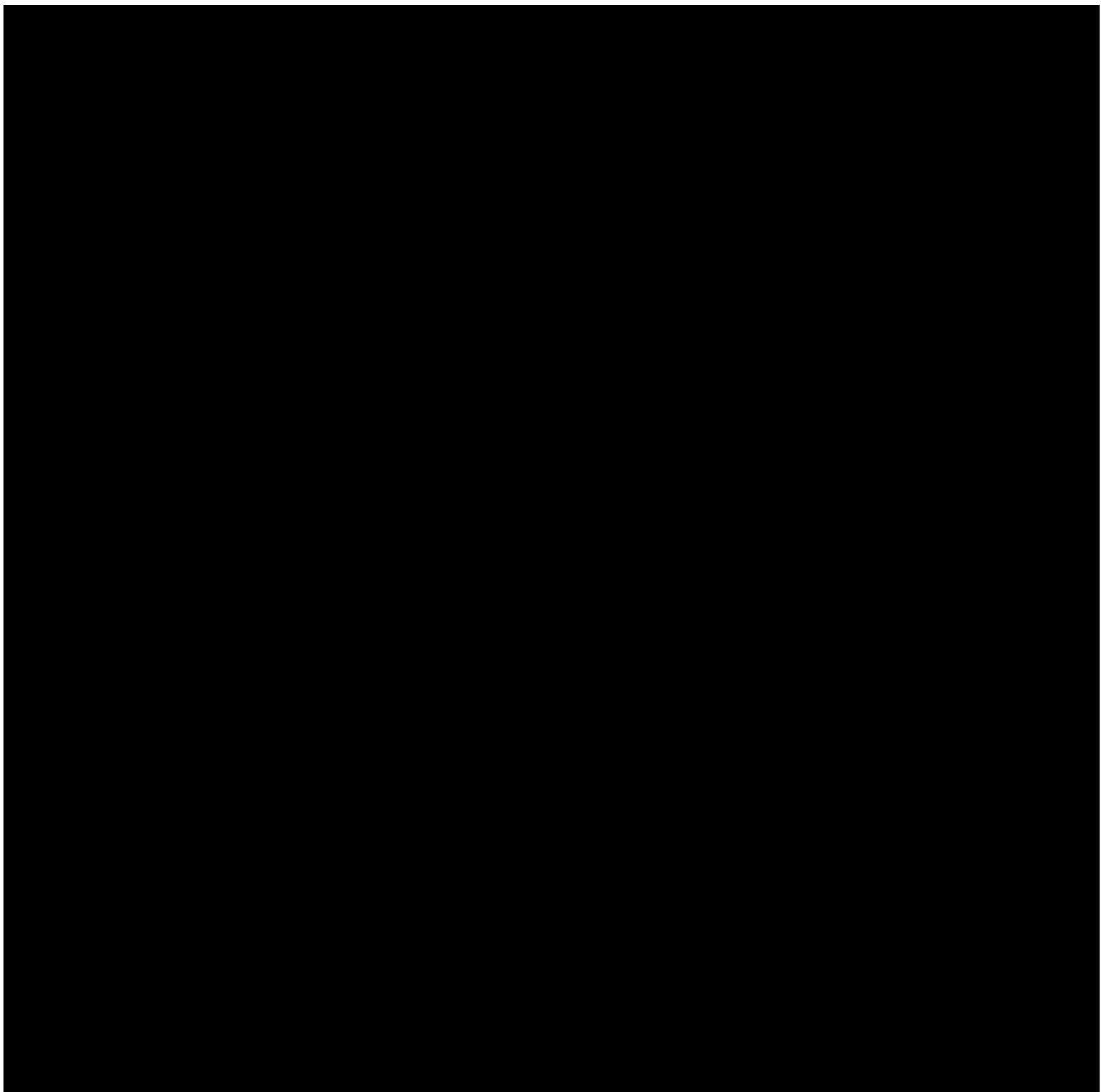


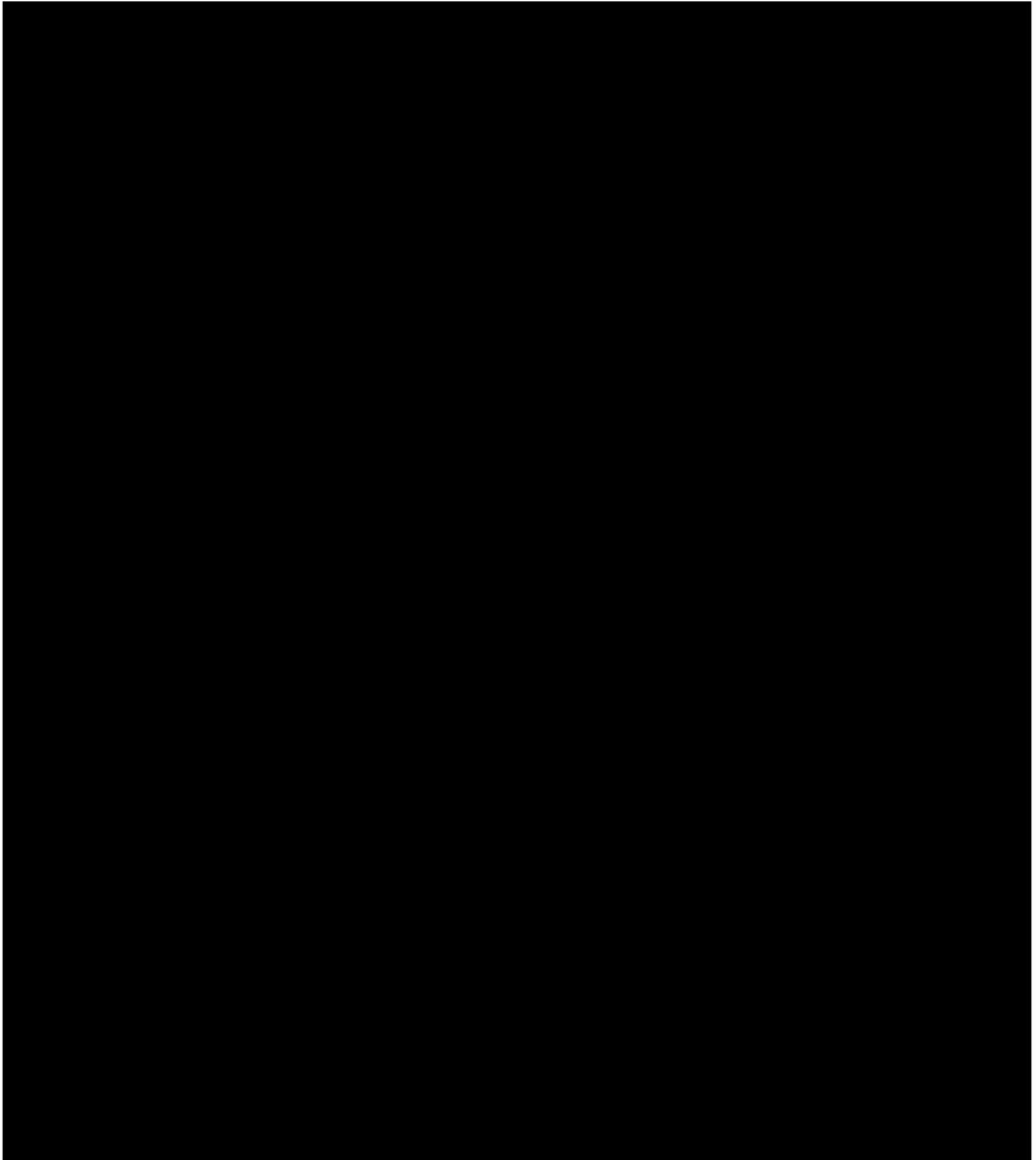


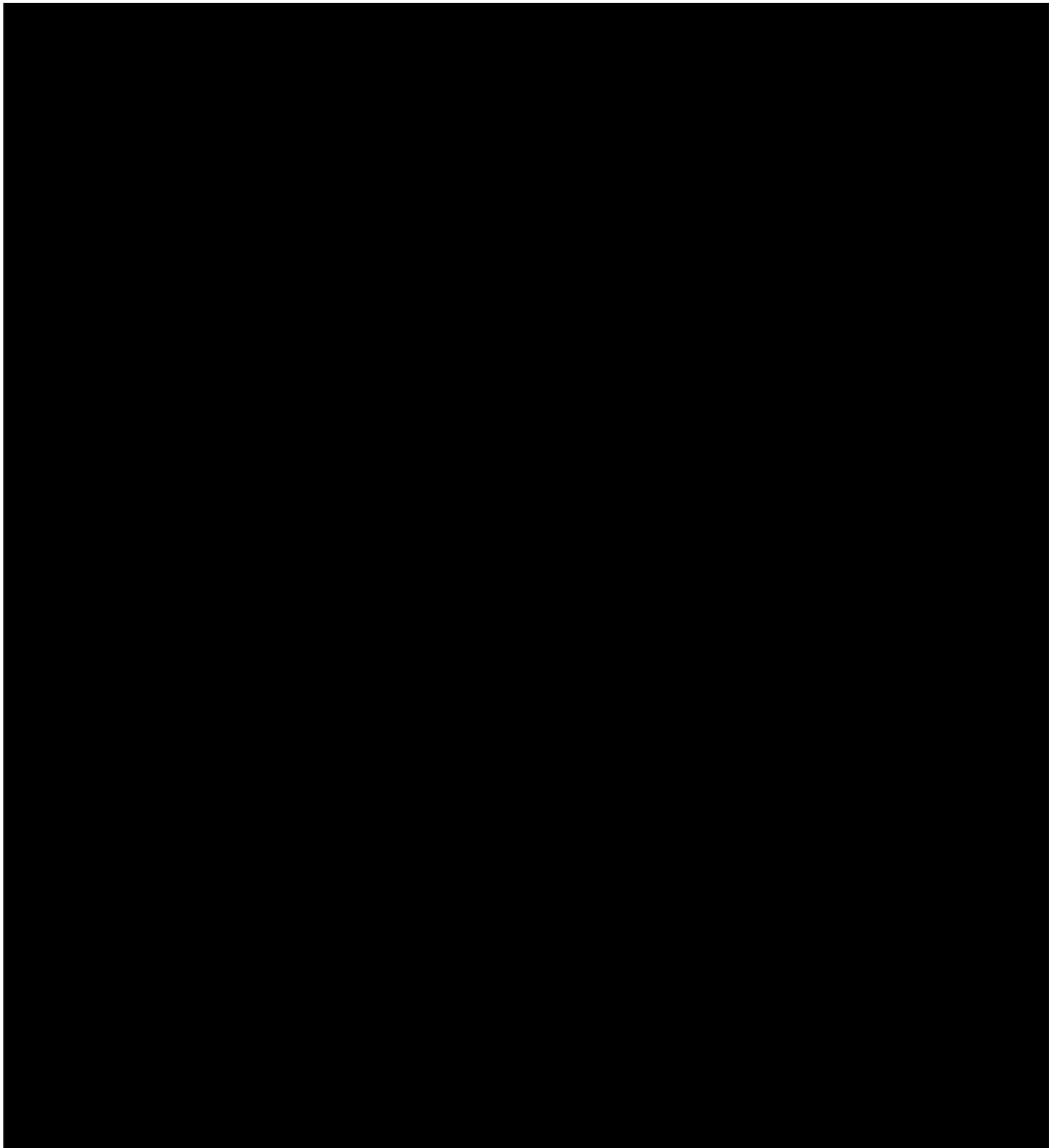


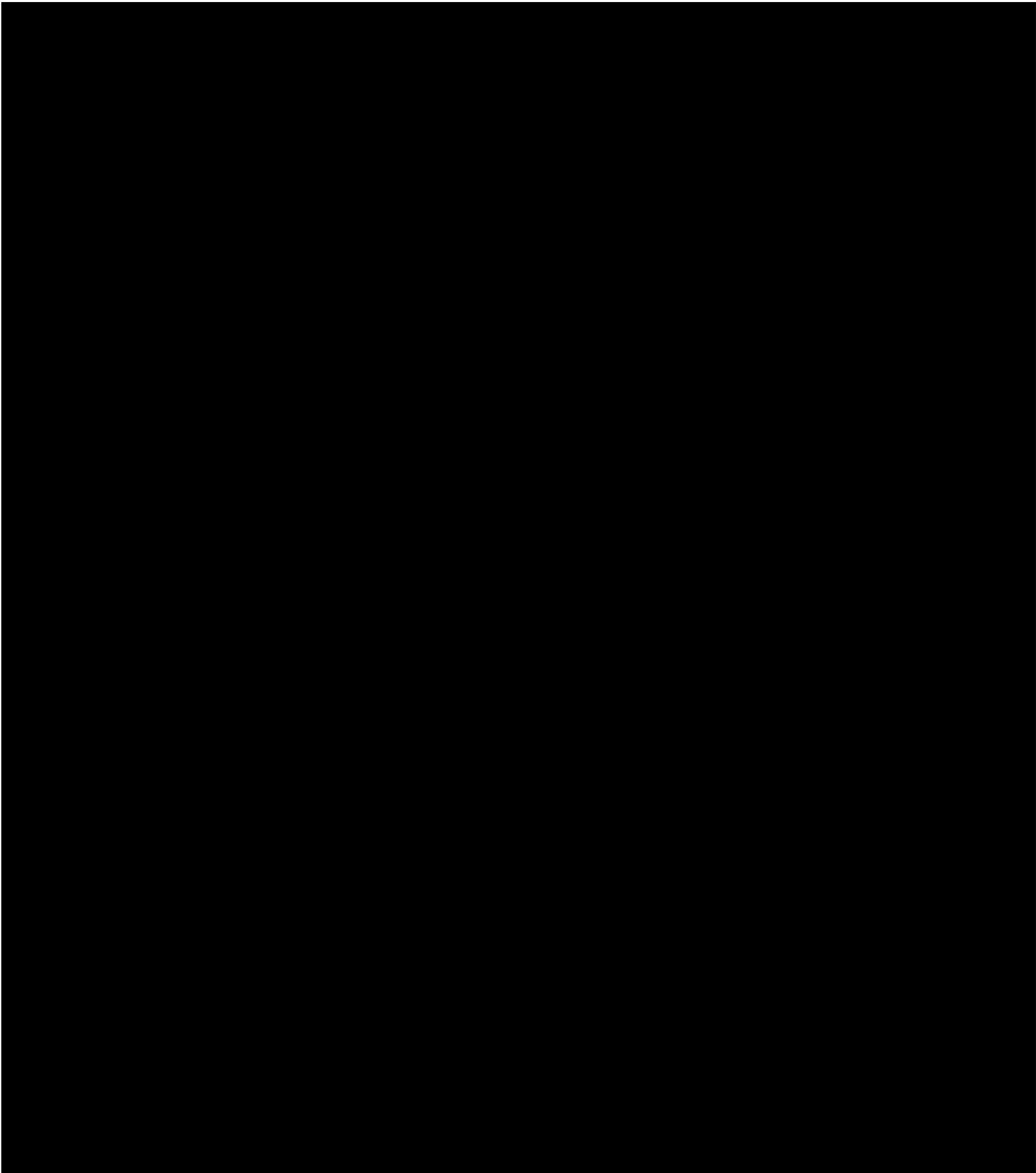


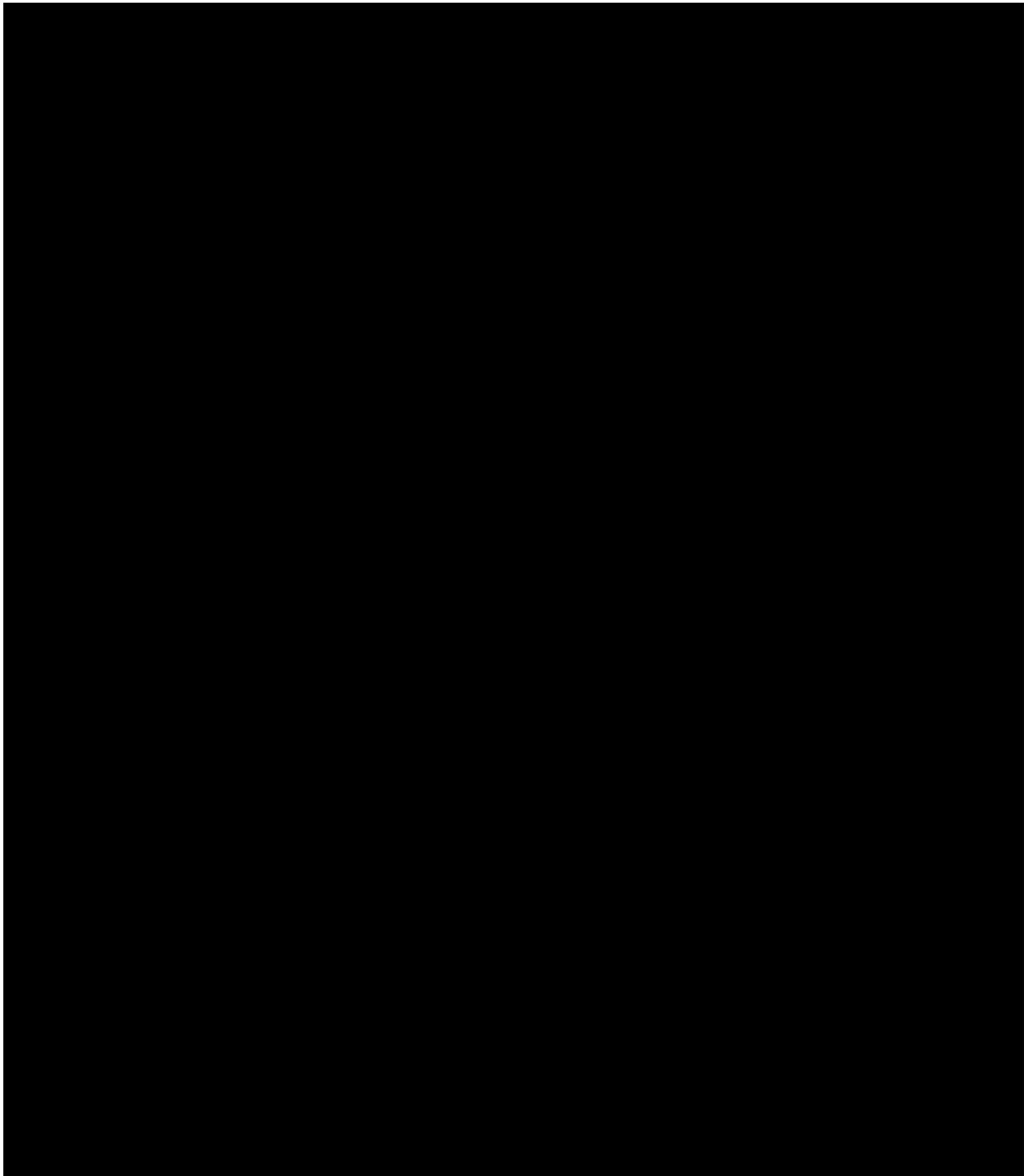


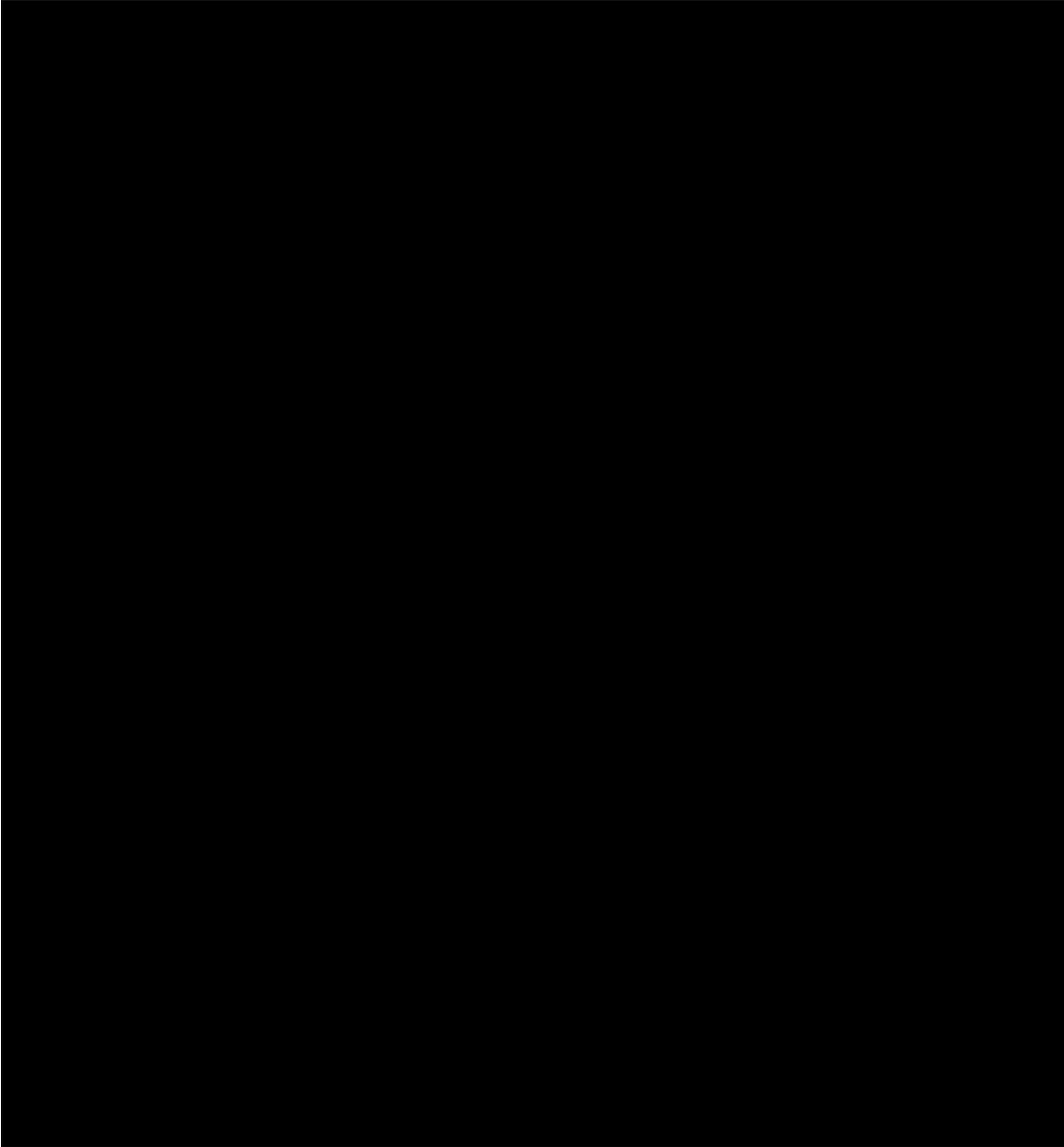


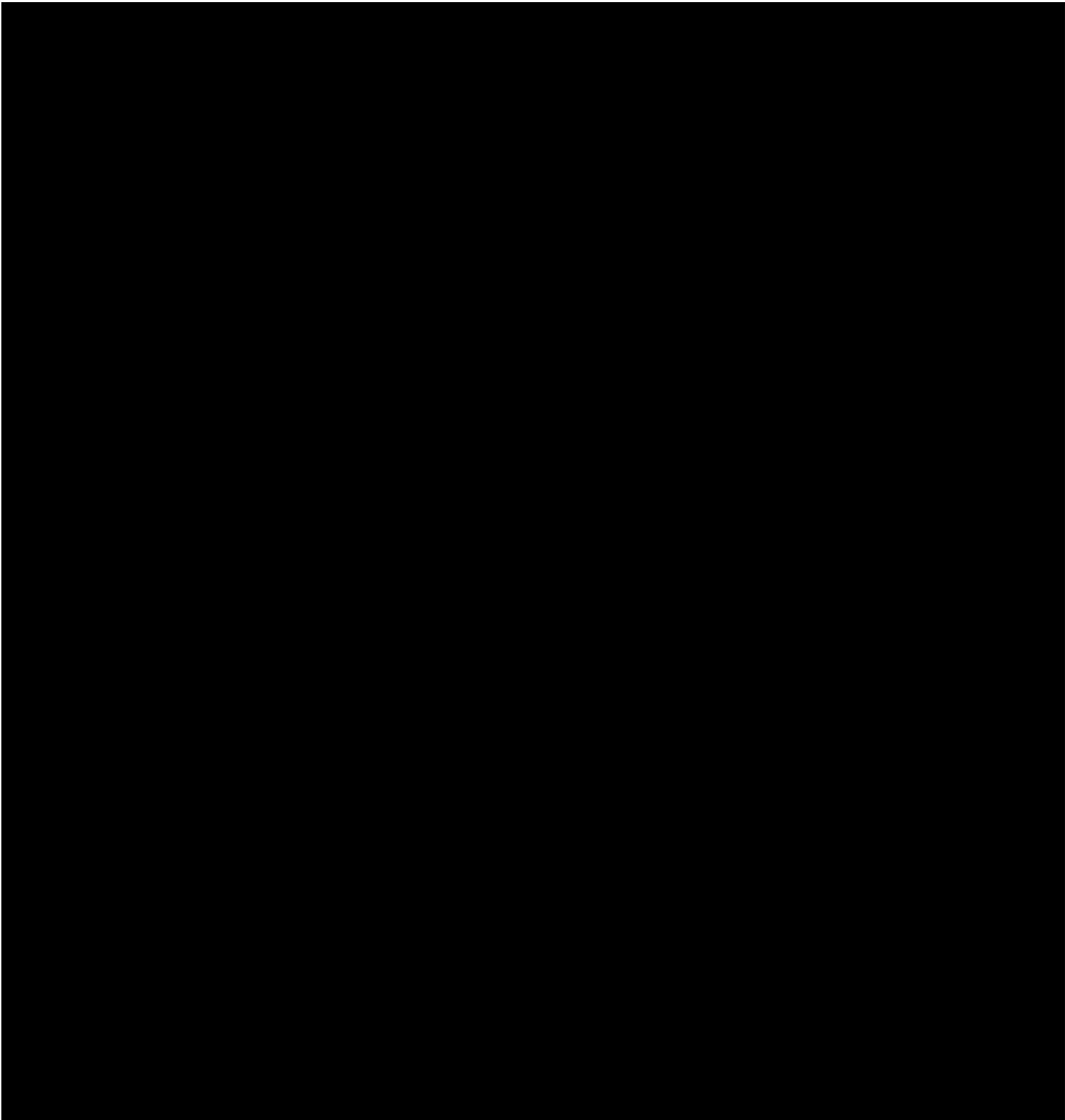


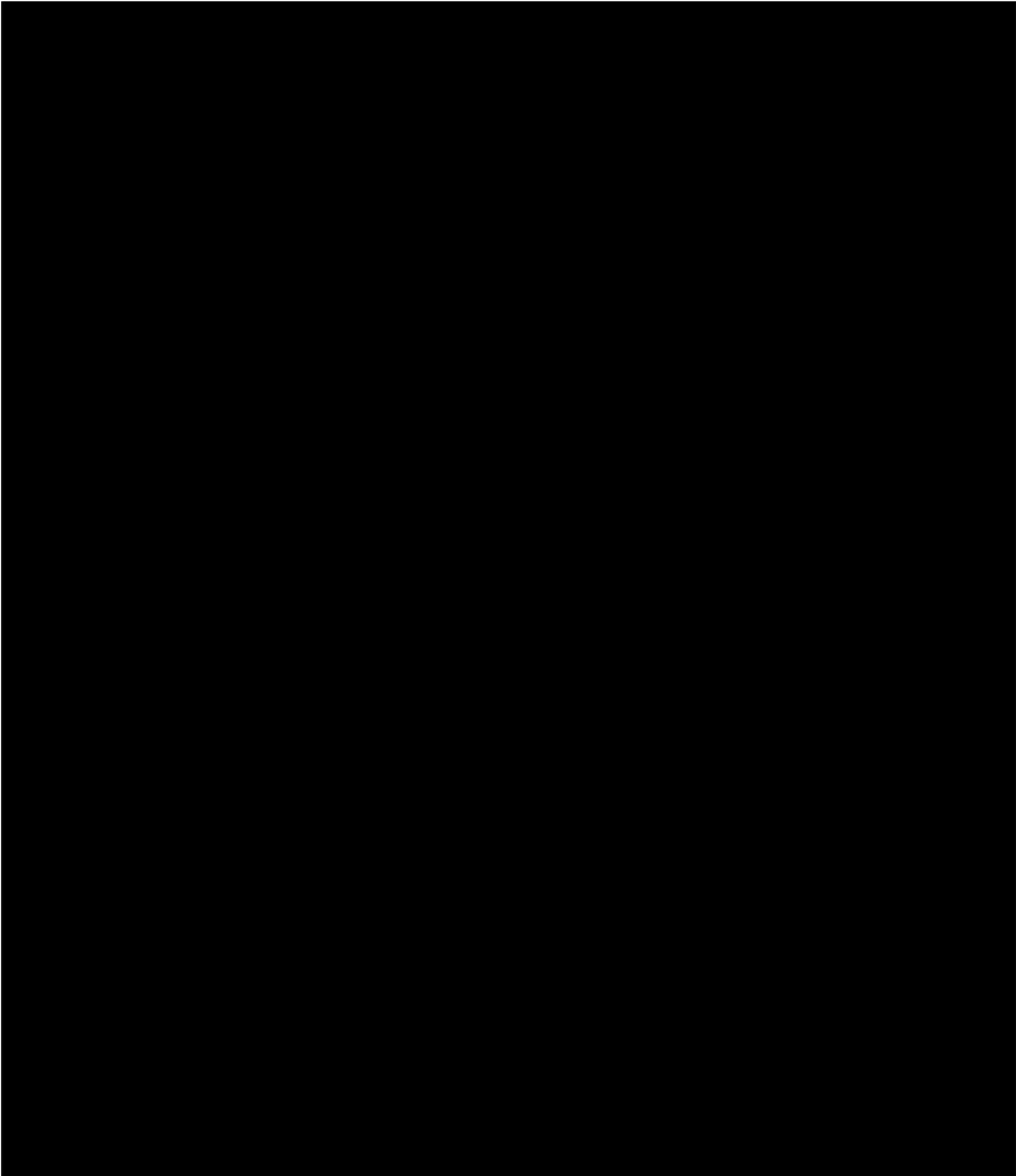


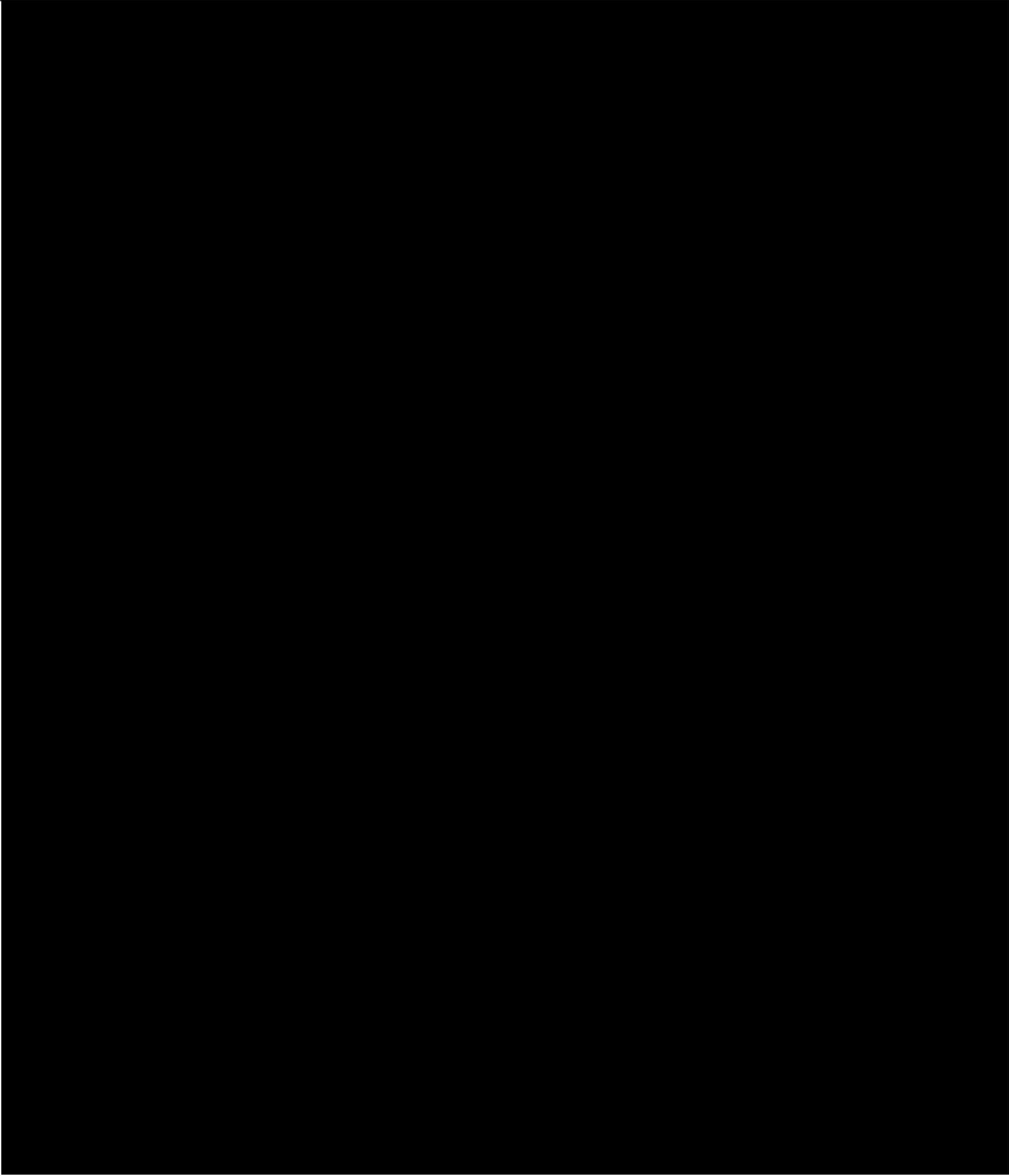


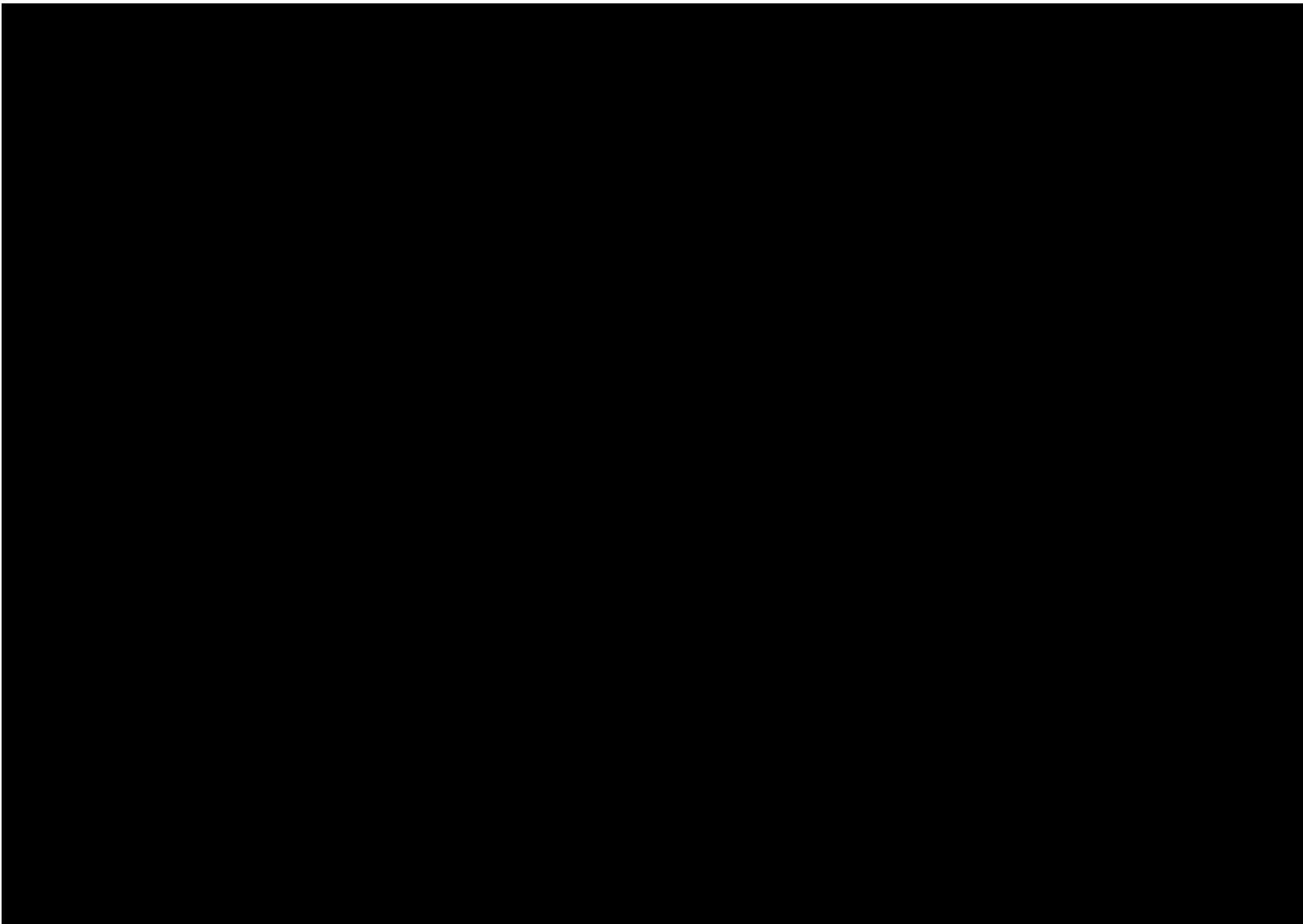












VII. FIRE SAFETY PLAN

See below the Fire Safety Plan put together by fire and life safety consultant, PyroCop, Inc.

“AUTHENTIC 707” FIRE PLAN FOR CANNABIS RETAIL AND DELIVERY

Consultant’s Bio

Robert Rowe began his 27-year fire service in 1980 and was promoted up through the ranks from Firefighter to Fire Marshal. During his career Robert served as a Fire Inspector, Hazardous Materials Specialist, Fire Investigator and Fire Marshal. As Fire Marshal, Robert managed an organized municipal Fire Prevention/Investigation Division in the Los Angeles area, where he obtained extensive knowledge and expertise in both Fire Investigation and Fire & Building Codes and Standards.

After his retirement in 2007, Robert founded “PyroCOP, Inc.,” which is based in Long Beach, California, and has utilized his fire investigative and code knowledge in hundreds of fire loss investigations and safety code-related projects. Robert has qualified as an expert in fire-related matters throughout the United States and has served as a fire consultant in the Middle East.

Robert served as President of the Area “E” Arson Task Force, was appointed as a Special Deputy by the U.S. Marshals Service and served as a technical committee member for the National Fire Protection Association’s NFPA 1/Uniform Fire Code Committee.

Robert is a member of the California Conference of Arson Investigators, the International Association of Arson Investigators and the National Association of Fire Investigators and provides fire inspector training for the California Fire Chief’s Fire Prevention Officers Association.

As the Executive Director for the Fire Sprinkler Advisory Board of Southern California, Robert represents over 56 fire sprinkler contractors based in the Los Angeles area and continues to serve as a code consultant for both the public and private sector. Robert has provided and continues to provide fire/life consulting services for the Cannabis/Hemp retail/delivery, cultivation, extraction, manufacturing and distribution industry.

Scope

This document shall serve as the “Fire Plan” for “AUTHENTIC 707” as required for the permitting, construction and operation of cannabis-related business operations within Suisun City.

The purpose of this document is to provide a description of how “AUTHENTIC 707” intends to provide a reasonable level of life safety and property protection to address potential hazards associated with cannabis retail operations. “AUTHENTIC 707” also understands that they will be required to follow all amended codes and standards that have been or will be adopted by the Suisun City.

The information provided below is intended to address the Fire and Life Safety components associated with the retail and delivery operations of cannabis-related products.

Terms

- Authority Having Jurisdiction (AHJ): A federal, state, local department or individual such as a fire chief, fire marshal or fire prevention bureau having statutory authority.
- Suisun City Fire Code (SFC): The regulations adopted by the Suisun City for the enforcement of fire regulations.
- Suisun City Building Code (SBC): The regulations adopted by the Suisun City for the enforcement of building regulations.
- Suisun City Electrical Code (SEC): The regulations adopted by the Suisun City for the enforcement of electrical regulations.
- Suisun City Municipal Code (SMC)
- Tenant Improvement (TI): The addition, modification or demolition of a building or structure.

The Use and Occupancy Classification of Marijuana Business Functions may be found in Chapter 3 of the International Building Code (IBC) and International Fire Code (IFC). Typical occupancies are summarized as follows:

- Medical/Recreational Marijuana Center, Store or “Dispensary” – M Occupancy; B Occupancy if there is patient care and similar.
- Marijuana Plant Cultivation Locations or “Grow Facilities” – F-1 Occupancy [Retail Marijuana Cultivation Facility].
- Marijuana Oil Extraction Operations – F-1 Occupancy. *1
- Marijuana-Infused Product Kitchens/Bakeries – F-1 Occupancy.
- Storage of materials used or produced – S-1 Occupancy.
- Possible hazardous materials storage – H-2 or H-3 Occupancy.

The proposed building listed below will be used as a “Mercantile Group M occupancy” which includes, the display and sale of merchandise, and involves stocks of goods, wares or merchandise incidental to such purposes and accessible to the public. “AUTHENTIC 707” understands that the Occupancy Classification of the proposed facility will be determined by the Building Official based on the provisions of the Suisun City Building Code. The intent of this Fire Plan is to address the hazards associated with a Mercantile Occupancy.

“STATEMENT OF INTENDED USE” NARRATIVE

The procedure that will be used by “AUTHENTIC 707” for the reporting a fire or other emergency will be accomplished by management through face to face communication with the employees and/or using an intercom system.

The primary life safety strategy procedure for evacuating occupants during an emergency will include the training of staff relating to the identification of potential emergency scenarios associated with the operation. This safety strategy will also include the process in which employees will be directed away from the presented hazard and to the closest exit. Those in need of assistance during an evacuation are of the highest priority and will be escorted to a safe location by staff. Once the building has been evacuated, management will confirm all the occupants of the building are accounted for.

A site plan will be submitted in conjunction with this “Fire Plan” identifying, the occupancy assembly point, which will be located at the front of the building. The closest fire hydrant is located 190’ northwest of the subject location on the intersection of the vehicle entrance and Merganser Drive, to the east of O’Reilly Auto Parts.

The normal routes of fire department vehicles to the location would be east and/or west bound on Merganser Drive. In the event that the Suisun Fire Department needs access to the Suite, a KNOX BOX will be provided on the exterior of the premises.

Floor plans identifying the locations of exits, primary evacuation routes, secondary evacuation routes, accessible egress routes, areas of refuge, exterior areas for assisted rescue, refuge areas associated with smoke barriers and horizontal exits, manual fire alarm boxes (if applicable), portable fire extinguishers, occupant-use hose stations, fire alarm annunciators and controls will be submitted separately in conjunction with this plan.

Fire hazards associated with normal use and occupancy of the premises, may include the accumulation of combustible storage, blockage of exits, blocked exits and lack of fire extinguisher maintenance. All the above potential hazards will be addressed daily by staff.

Senior staff of “AUTHENTIC 707” will be responsible for the for the proper maintenance of systems and/or equipment installed to prevent fires or control fires in addition to housekeeping and controlling fire hazards. Below are specific measures that will be taken to address these concerns.

Building Code Requirements (Fire Life Safety related)

The height and area of all structures will be designed and detailed for compliance with the Suisun City Building and Fire Code.

The Occupancy and Construction Type of the proposed facility will be determined by the Building Official, and clearly identified by the applicant on the construction plan documents consistent with the requirements of the Suisun City Building and Fire Code.

All fire-rated elements in the space will meet the applicable requirements of the Suisun City Building and Fire Code.

Occupant Load

The design for the occupant load will be based on the Suisun City Building Code Chapter 10. Business areas will be based on 100 sq. ft. per person.

Exiting

The minimum required exit width will be determined by the Building Official as referenced in the Suisun City Building and Fire Code.

Means of egress, including the exit discharge, will be illuminated always when the building space is occupied in accordance with the Suisun City Building and Fire Code.

Accessible means of egress will comply with the Suisun City Building and Fire Code. Accessible spaces will be provided with not less than one accessible means of egress. Where more than one means of egress is required by the Suisun City Building and Fire Code from any accessible space, each accessible portion of the space will be served by not less than two accessible means of egress.

Exits and exit access doors will be marked by an approved exit sign readily visible from any direction of egress travel. The path of egress travel to exits and within exits will be marked by readily visible exit signs to clearly indicate the direction of egress travel in cases where the exit or the path of egress travel is not immediately visible to the occupants. Intervening means of egress doors within exits will be marked by exit signs. Exit sign placement will be such that no point in an exit access corridor or exit passageway is more than 100 feet or the listed viewing distance for the sign, whichever is less, from the nearest visible exit sign per the Suisun City Building and Fire Code.

Two exits are required from all spaces when the occupant load is greater than 49 occupants and/or the common egress path of travel distance exceeds 75 feet per the Suisun City Building and Fire Code.

Corridors will be fire-resistance rated in accordance with the Suisun City Building Code. The corridor walls required to be fire-resistance rated will comply with the Suisun City Building Code.

Exits will discharge directly to the exterior of the building. The exit discharge will be at grade or shall provide direct access to grade. The exit discharge will not reenter a building, per the Suisun City Building and Fire Code.

Interior Finishes

Interior wall and ceiling finishes will have a flame spread index not greater than that specified in the Suisun City Building and Fire Code for the group and location designated. Interior wall and ceiling finish materials tested in accordance with NFPA 286 and meeting the acceptance criteria of the Suisun City Building Code shall be permitted to be used where a Class A classification in accordance with ASTM E 84 or UL 723 is required.

All materials used as interior finishes, trim and decorative materials will comply with the provisions of the Suisun City Building Code as well as the flame spread rating for interior finishes or be covered with a thermal barrier. Plastic film, foam plastic insulation and the paper facing on fiberglass insulation must be rated or covered with an approved thermal barrier.

The ventilation, temperature control, lighting, yards and courts, sound transmission, room dimensions, surrounding materials, and rodent proofing associated with the interior spaces of buildings will follow the Suisun City Building and Fire Code pertaining to "Interior Environment."

Accessibility

Accessibility requirements, as outlined in the Suisun City Building Code will be provided throughout the building for individuals with disabilities.

General Fire Safety

Fire safety requirements are maintained in the Suisun City Fire Code and regulate the occupancy and maintenance of all structures and premises for precautions against fire and the spread of fire as well as general fire safety requirements, which include but are not limited to:

- Provide approved waste containers that are appropriately sized and stored in an approved location.
- Ensure that ignition sources and open flames are separated from flammable and combustible materials.
- Properly maintain and safely operate powered industrial trucks and equipment.
- Ensure that impact protection is provided for hazardous materials storage as required by the fire code.
- Ensure that fueled equipment is stored and maintained as required by code.
- Ensure that potential hazards posed to firefighters are identified and removed as required.

The provisions outlined in the Suisun City Fire Code addressing General Fire Safety will be followed by “AUTHENTIC 707” always.

Combustible Storage

Storage of combustible materials in buildings will be maintained in an orderly manner and be separated from heating or ignition sources by distance or shielding so that ignition cannot occur, per the Suisun City Fire Code. Accumulation of combustible waste shall be removed from inside or around the exterior of buildings as necessary to minimize the risk of fire.

Maintenance of Exiting

Buildings and facilities are required to be provided with approved exiting meeting the provisions of the Suisun City Building Code and will be maintained as required by the Suisun City Fire Code.

“AUTHENTIC 707” will ensure that:

- The minimum exit access shall be maintained **always**.
- The minimum aisle widths shall be maintained **always**.
- Enhanced building security shall not interfere with exiting measures and will by no means impede egress for the facility’s occupants or firefighters in the event of an emergency.
- Electronic access control shall not interfere with the exiting components.
- All locking hardware on doors (interior or exterior) shall meet the minimum requirements for exiting.
- All doors and door hardware shall be identified on the specifications and plans.
- All exit doors, passageways and exit corridors will remain free of any obstruction and be maintained as required by the Suisun City Fire Code.
- Any security device or system that emits any medium that could obscure a means of egress in any building, structure or premise will be prohibited and be maintained in accordance with the Suisun City Fire Code.

Emergency Plans and Evacuation Drills

The reporting of emergencies, coordination with emergency response forces, emergency plans, and procedures for managing or responding to emergencies will comply with the provisions of the Suisun City Fire Code.

Emergency evacuation drills complying with provisions of this section will be conducted by “AUTHENTIC 707” at least annually for facilities that have been identified as a Group F occupancy as defined in the Suisun City Fire Code or when required by the fire code official. Drills shall be designed as described in the Suisun City Fire Code.

Fire Department Access

Knox Key Access

Where access to or within a structure or an area is restricted because of secured openings or where immediate access is necessary for lifesaving or fire-fighting purposes, a key box will be installed by “AUTHENTIC 707” in an approved location. The key box will be of an approved type and will contain keys to gain necessary access as required by the fire code official per the Suisun City Fire Code.

All required exterior doors will remain operable for emergency access by firefighters. Eliminating the function of any exterior doors will require prior approval that cannot be granted in every circumstance, and where allowed, the door must be marked with a sign stating **THIS DOOR BLOCKED**.

Rooms containing fire protection equipment (fire alarm panels, fire sprinkler valves, etc.), controls for air-conditioning equipment, utility equipment for gas or electrical service, and rooms containing hazardous materials will require identifying signage to aid firefighters.

Automatic Fire Protection Systems

Based on occupancy classification, square footage and construction type as outlined in the Suisun City Building Code, Automatic Fire Protection Systems may not be required. If required by the Suisun City Fire or Building Code per local amendments, said systems may include:

- Automatic sprinkler systems.
- Alternative automatic fire-extinguishing systems.
- Standpipe systems.
- Portable fire extinguishers.
- Fire alarm and detection systems.
- Emergency alarm systems.
- Smoke control systems.
- Explosion control.
- Fire pumps.

It is also understood that a change in the occupancy of the space or an expansion of square footage could require the installation of a fire suppression system for the proposed space.

If required, all fire protection systems will be designed in accordance with the Suisun City Building Code and submitted to the Suisun City Department of Building and Safety for approval. "AUTHENTIC 707" understands that Suisun City requires specialized licensing for contractors involved in the installation of fire protection systems (C-16 for Fire Sprinkler System Installations and C-7/C-10 for Fire Alarm Systems).

Portable Fire Extinguishers

Portable fire extinguishers will be installed pursuant to the Suisun City Fire Code, Section 906. The size and distribution of portable fire extinguishers shall also be in accordance with the Suisun City Fire Codes and adopted standards and at the discretion of the Fire Marshal.

Automatic Fire Alarm Systems

If required, an approved fire alarm system will be installed in accordance with the provisions of the Suisun City Building Code and NFPA 72. Said system will provide occupant notification in accordance with the Suisun City Fire Code.

Hazardous Materials Storage and Use

Hazardous materials will not be stored at this facility.

Building Utilities

Utilities located within the proposed facility will comply with all applicable Suisun City Codes. This includes the installation, operation and maintenance of fuel-fired systems, emergency and standby power systems, electrical equipment, and mechanical systems. Emergency and standby power systems will meet the provisions of both the Suisun City Fire and Building Code and NFPA and UL or other nationally recognized testing laboratory requirements.

"AUTHENTIC 707" understands that the Suisun City Fire Code prohibits the use of extension cords or power strips as permanent wiring to equipment, lighting, fans, etc. All electrical loads and wiring for grow lighting, fans, etc. will be properly designed, installed and permitted as required by the Suisun City. An electrical analysis will be submitted along with manufacturer specification sheets, calculations and single line diagrams. The electrical design and installation shall meet the requirements of the Suisun City Electrical Code.

Electrical Code Requirements

All electrical system design and permitting will be performed by a licensed electrical engineer registered in the State of California or (if allowed by Suisun City) by qualified and experienced licensed electrical contractors if they are performing the actual installations (design-build).

All electrical system(s) installations will be completed by licensed electricians and electrical contractors.

The electrical system will be sized and installed in accordance with the Suisun City Electrical Code.

A single line diagram of the existing and proposed electrical system, including the main electrical service, will be provided in the submittal in accordance with the Suisun City Electrical Code.

Electrical services which are 400 amps or greater will be designed by a licensed electrical engineer registered in the State of California or (if allowed by the Suisun City) by qualified and experienced licensed electrical contractors if they are performing the actual installations (design-build).

All electrical equipment will be listed and labeled by an approved testing agency per the Suisun City Electrical Code.

Flexible cords (extension cords) will not be used to substitute for fixed wiring and will not be routed through or concealed in walls, structural ceilings, suspended ceilings, dropped ceilings or floors; be attached to building surfaces; be within 6'8" of a means of egress; or be subject to physical damage, as per the Suisun City Electrical Code.

All buildings that are being newly constructed will install a Concrete Encased Grounding Electrode.

Heating and cooling equipment will be provided with a 15- or 20-amp GFCI-protected service receptacle within 25 feet of the equipment as required by the Suisun City Electrical Code.

Should you have questions or concerns regarding the information provided within this plan, please contact me at (562) 988-7999.

Date of Report: February 3, 2020



Robert Rowe, Fire/Building Code Consultant

Pyrocop, Inc.

4000 Long Beach Boulevard, Suite 251

Long Beach, CA 90807

(562) 988-7999 Office

VIII. FIRE EVACUATION PLAN

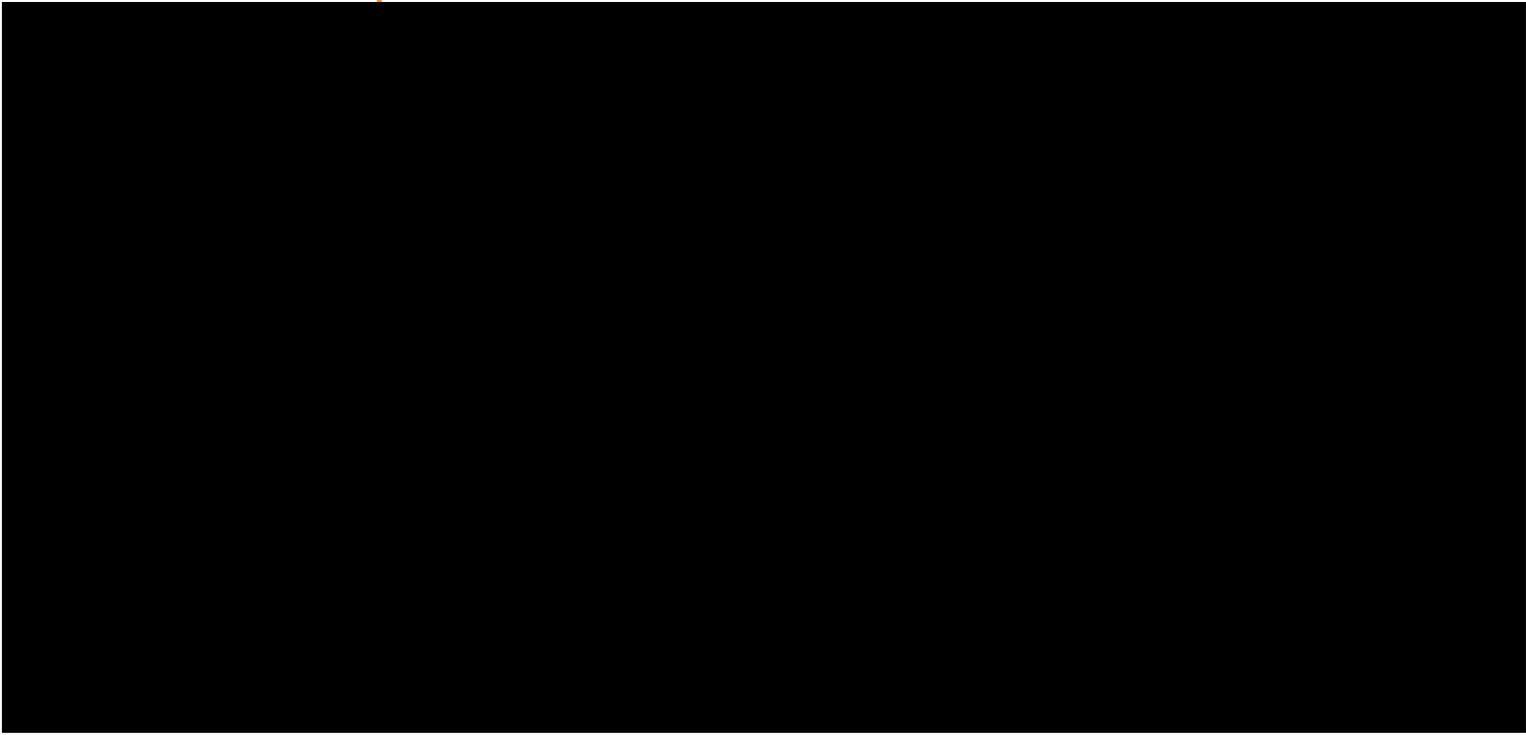
See Exhibit E for Fire Evacuation Plan created by PyroCop, Inc.

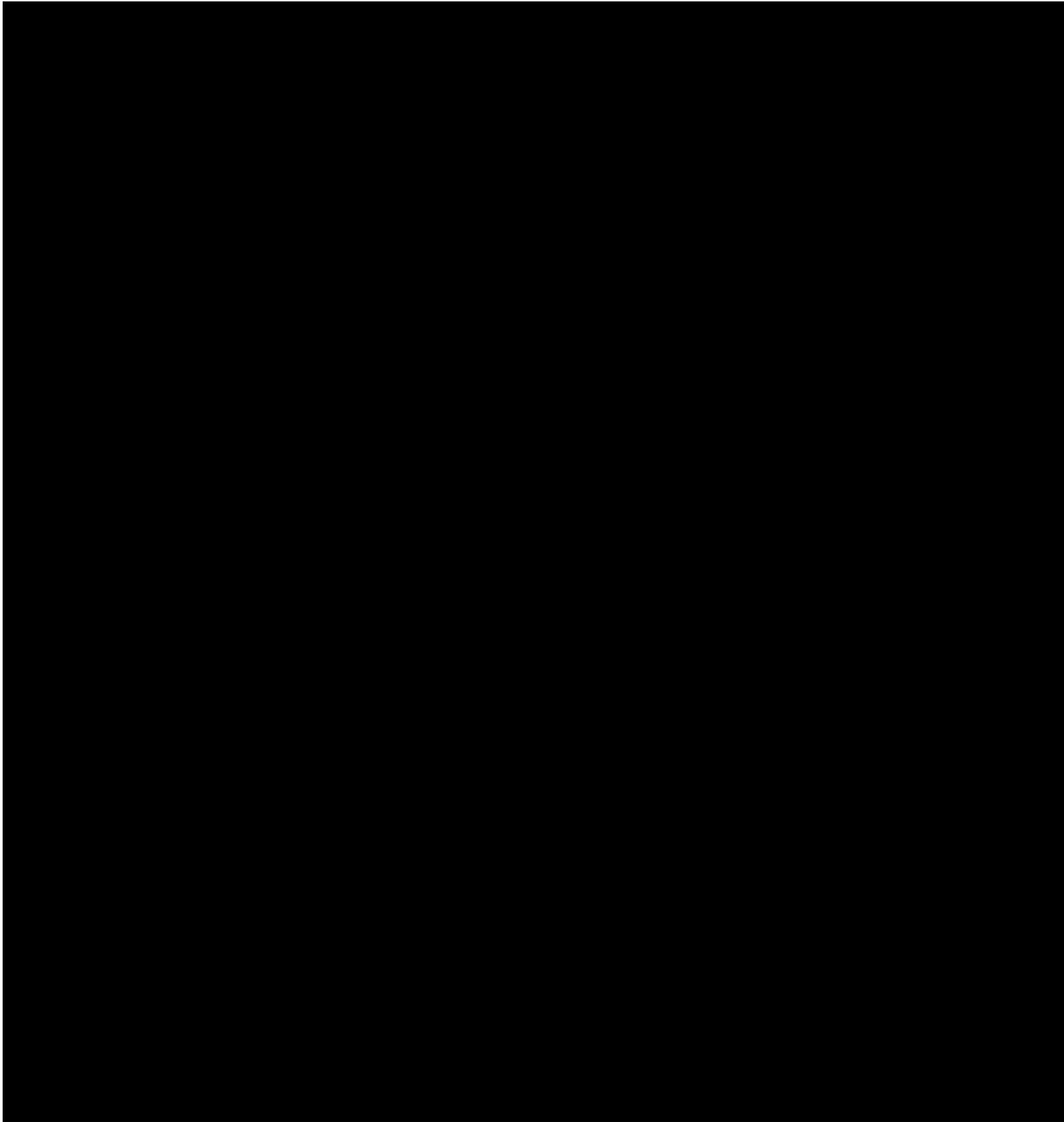
IX. CITY INPUT AND APPROVAL

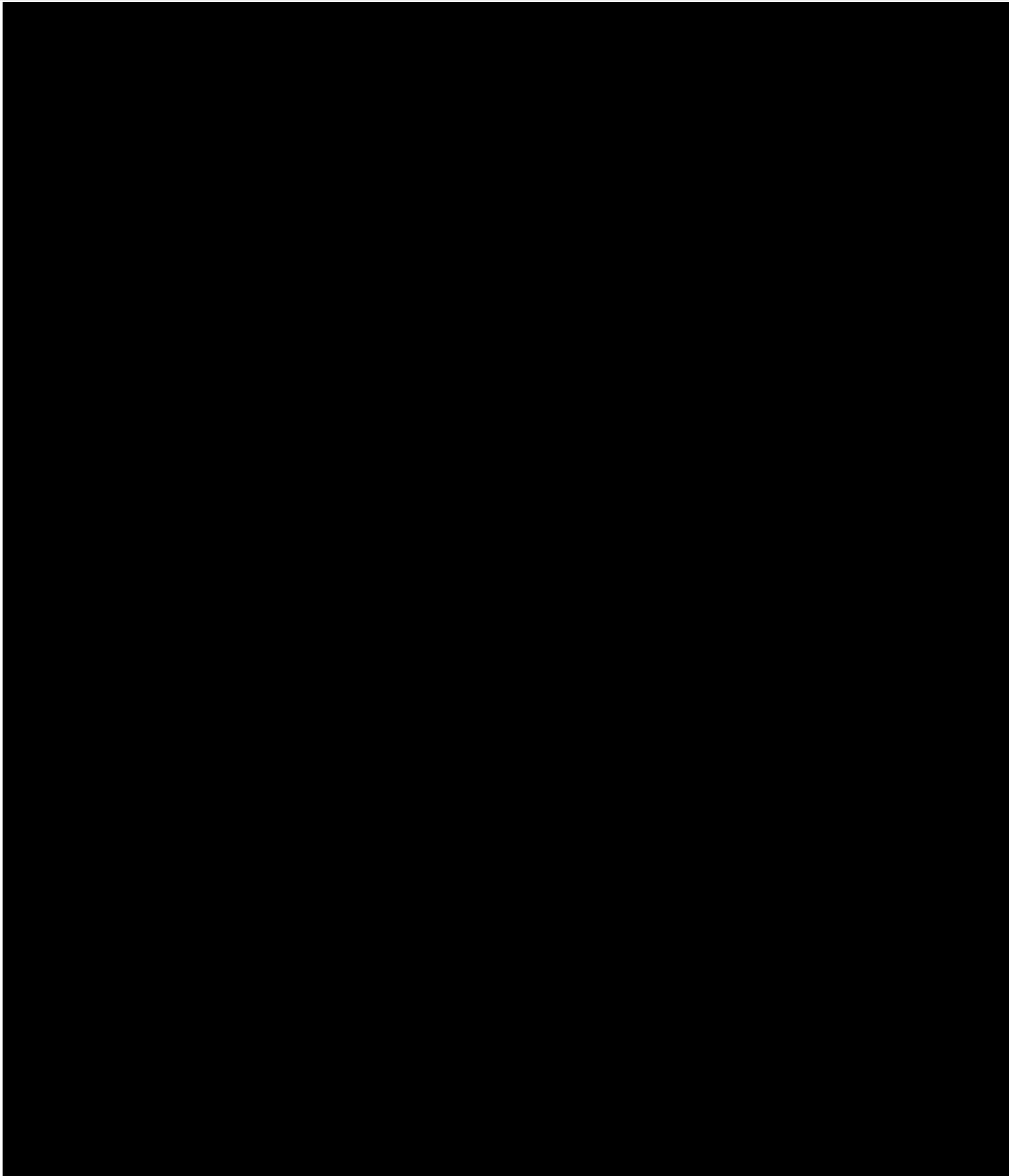
As noted above, our Director of Security, Dan Ramirez, and Director of Compliance, Andrew Hopkins, will invite the Suisun City Police and Fire Departments to come tour the facility and to address any issues or questions prior to the store's opening. These meetings with the police and fire departments at other cities have provided Authentic 707 an opportunity to learn about city specific criminal and safety concerns from the local police and also open up lines of communication should the police or fire department have any concerns in the future. Hopkins and Ramirez will be the designated liaison with the Suisun City Police Department as required under SCMC § 18.49.150(H)(11).

For example, prior to the opening of our Modesto store in December 2019, the Chief of Police Officer Galen Carroll toured our facility and suggested that access from the roof be further fortified to prevent break-ins from the roof and that our security cameras be connected to stream on Modesto Police Departments' dashboard traffic light surveillance system. We were able to quickly implement these additions to our security system and continue to keep lines of communication open with the Modesto Police and Fire Departments.

Section 2.4: Transportation Plan







Section 2.5: Air Quality/Odor Control Plan

The first step of our air quality management and odor mitigation plan will be to employ adequate heating, ventilation, and air conditioning (HVAC) systems. Authentic 707 will work with licensed engineers to assess and improve the existing HVAC system at the proposed location to ensure superior air quality and mitigate any odors that result from the proposed retail space and is in compliance of SCMC § 18.49.150(G).

Filters, including the highest quality carbon filters, will be replaced frequently and actively maintained to provide clean air for all employees and customers. In addition to the HVAC system, Authentic 707 will partner with a local mechanical engineering firm to assess the facility and identify opportunities for improvement and increase air quality and odor capture. Improvements include but are not limited to: (i) air handler selection so outside air can be conditioned and brought into the space without recirculation of smell into the occupied environment; (ii) dedicated systems for each area of the facility that engages in a different retail practice; (iii) air filtration and purification so exhaust and supply air does not negatively impact neighbors or customers; and (iv) the use of carbon air filters or scrubbers. This type of odor control has been successfully used in other businesses like cigar lounges and Shryne has updated and refined this method in its existing dispensaries.

a. Policy

As an initial matter, we will document a process to limit objectionable odors from the project area utilizing building system components and adopted odor control plan.

Under California Occupational Health and Safety Act (“CalOSHA”) and Bay Area Air Quality Management District (“BAAQMD”) regulations, cannabis businesses do not have a specific set of regulations that govern their operations.

However, Brian Mitchell of Authentic 707, will nonetheless maintain a high standard for the air quality plans for all aspects of its proposed Cannabis Dispensary Facility (Type-10) at 521 Railroad Avenue.

Authentic 707 will meet and/or exceed the standards set by Suisun City's Cannabis Ordinance, the Solano County Code, California Labor Code § 6300 et seq., and Title 8, California Code of Regulations § 332.2, 332.3, 336, 3203, 3362, 5141 through 5143, 5155, and 14301, as published in the CalOSHA Policy and Procedures Manual C-48, Indoor Air Quality as applicable to other facilities.

Pursuant to State of California regulations (California Energy Code, Section 120.1(b)2), mechanical ventilation must meet 0.20 cubic feet per minute ("CFM") per square foot of conditioned floor area in retail spaces, and 0.15 CFM for all other anticipated uses. Since existing State air quality regulations do not contain provisions specific to cannabis businesses, Authentic 707 will comply with these general State standards when designing the ventilation systems and air filtrations systems for the entire facility. Each separate operation within the facility building will have its own individual "air-scrubber" systems, as described below.

b. General Procedures

Authentic 707 will implement and maintain building systems to effectively minimize transmission of odor between building and surrounding areas.

- The General Manager will supervise installment and maintenance of an air treatment system to ensure there is no off-site odor of cannabis detectable from adjacent properties or the community. Air treatment systems consists of carbon filtration on the exhaust side of the ventilation system and negatively pressurizing the facility in relation to the exterior ambient condition.
- Staff members will immediately report odor problems to the General Manager, who will take corrective action, implement upgrades to the system, upgrades to the facility or to the internal handling process of product within the facility to further deter odors.
- If such upgrades require the approval of the City, the General Manager will seek and gain such approval prior to implementing new systems and/or procedures.

It is critical to the success of our organization that our various plans remain transparent to the community, so all stakeholders are aware of the importance of mitigated cannabis odors.

This mitigation plan and all associated records will be made available to the public for review and documents can be requested at our facility. All requests for documentation shall occur via written request only (email is acceptable).

In accordance with California State Law all products brought into the dispensary will be in sealed packages. As such, the possibility for odor issues for adjacent properties is limited. Nevertheless, the handling of product will require a properly engineered odor control system in order to mitigate the release of odors to the surrounding properties and community.

c. Active Measures

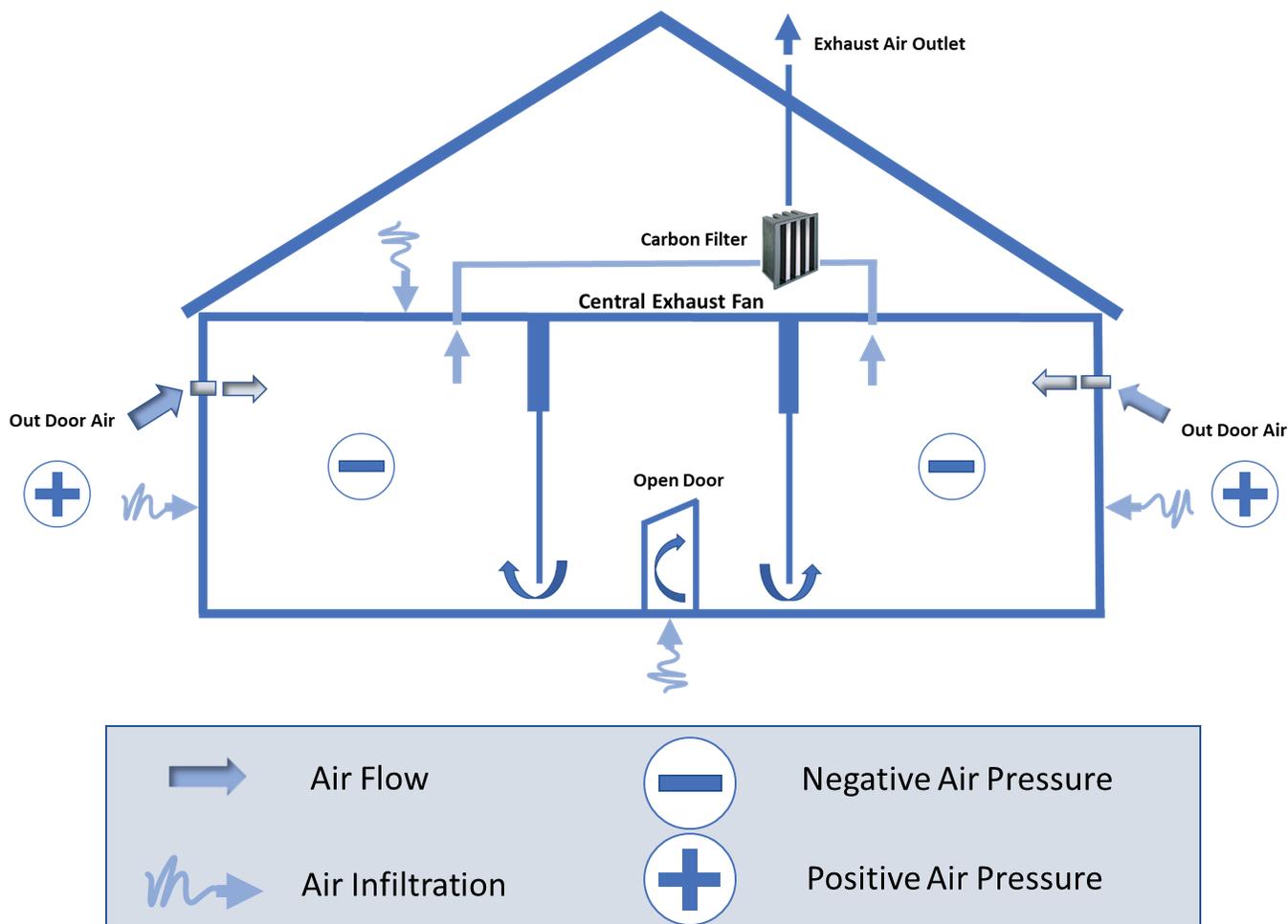
All cannabis products will be securely stored in the inventory room. The inventory room will be provided with an exhaust air system for odor control. The exhaust system will be provided with a carbon filter that will mitigate any odors which may emanate from the stored product.

d. Air Pressure & Carbon Filter Control

The facility will be kept under negative pressure by means of an exhaust system with carbon filters for odor mitigation. The exhaust discharge shall be designed with a high velocity outlet to eject the exhaust up and away from any neighbors or pedestrian traffic.

i. Negative Air Pressure

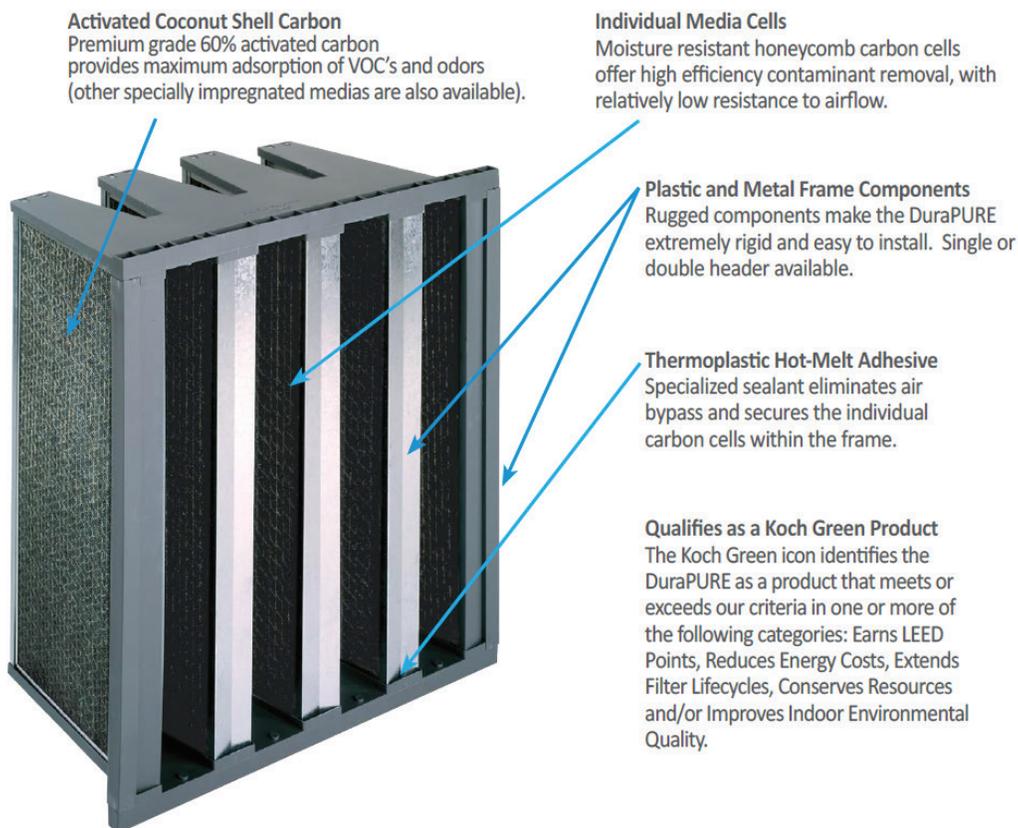
Authentic 707 will implement this state-of-the-art odor management system to ensure neighboring residents and businesses cannot detect cannabis odors outside the facility. An air system will be installed that creates negative air pressure between the store's interior and exterior so that the odors generated inside the business will not be detectable on the outside of the business or at any of the properties in the immediate surrounding area.



ii. Carbon Filters

We believe that the best air quality and odor control technology for cannabis retail facilities is carbon filtration. The inventory and retail areas in our facility will be separated from other areas, allowing for odor control methods to be specific to the activity being performed. The vault room and the retail area will be negatively pressurized and have carbon-filtered ventilation using the Koch Filter DuraPure, which is used in cigar lounges, airport facilities, chemical plants and other businesses which require a high powered air filtration system. The DuraPURE utilizes premium grade granular 60% activated carbon and its unique V-shaped frame holds up to 26 pounds of activated carbon.

DuraPURE Construction and Technical Data



Portable, carbon-filtered recirculating Can-Lite 14" x 40" (SKU: 358598)⁷ fans will minimize or eliminate odors in the vault room and retail area, and will be placed near access points such as doors.

e. Product Odor

Cannabis flower is the only product which we will carry which will have the potential to have any odor since the edibles, oils, tinctures and other products do not emanate any smell. The inventory team and the sales associates will regularly ensure that all jars that the flower is sold in are properly sealed so as not to emanate any smell from its inside content. Employees will also be trained to ensure that all cannabis goods are properly sealed, know how to control ventilation to minimize the risk of odors, the importance of closing all doors and windows, and on how to evaluate and check for any odors.

When inventory shipments are received and are being taken into the inventory room, Authentic 707 will utilize odor-neutralizing materials such as enzymatic catalysts which can degrade odorous compounds. These materials will be applied to surface areas throughout the store to reduce the risk of any odors.

These measures will ensure that cannabis odor will not impact the quality of life of our neighbors nor employees in Suisun City.

⁷ http://canfilters.com/can-lite-14.html?geop_country=US

f. Best Available Technology

The combination of carbon exhaust air filtration and building pressure control represent the current best available technology. See Exhibit F for exhaust fan and filter sample specification sheet. This building is also provided with MERV-13 filters for particulate filtration of supply air into the building.

g. Air System Design

The facility shall have no operable windows and will be kept locked and sealed at all times. All doors shall be sealed with proper weather stripping, keeping circulating and filtered air inside the facility. On site usage of cannabis products is strictly prohibited while on the property. This will assist in mitigating odors to the surrounding neighbors.

h. Monitoring, Detection and Mitigation: Method for Assessing Impact of Odor

The importance of cannabis odor mitigation is very well understood, and we will make decisions that best prevent the issue of odor to the surrounding areas. If odors are detected outside the facility this plan shall serve as a guideline to provide corrective action.

i. Monitoring

Management will assess the on-site and off-site odors daily for the potential release of objectionable odors. The manager on duty shall be responsible for assessing and documenting odor impacts on a daily basis.

j. Mitigation

Should objectionable off-site cannabis odors be detected by the public and we are notified in writing, the following protocols will take place immediately:

- Investigate the likely source of the odor.
- Utilize on site management practices to resolve the odor event.
- Take steps to reduce the source of objectionable odors.
- Determine if the odor traveled off-site by surveying the perimeter and making observations of existing wind patterns.
- Document the event for further operational review.

If employees are not able to take steps to reduce the odor-generating source, they are to immediately notify the facility manager, who will then notify the General Manager. All communication shall be documented and the team shall create a proper solution, if applicable. If necessary, we will retain our certified engineer to review the problem and make recommendations for corrective action/s.

k. Staff Training

All employees shall be trained on how to detect, prevent and remediate odor outside our facility and all corrective options outlined herein.

l. Odor Detection Documentation/Response

The Odor Detection Form (ODF) shall be provided to those who suspect objectionable odors emanating from inside the facility. ODFs are available per request, on-site. We shall maintain records of all odor detection notifications and/or complaints that will include the remediation measures employed. The records shall be made available to the BCC, City, or the general public on request. All requests shall be in writing (email is acceptable).

Authentic 707 will post the contact information for our community liaison, Jose Pecho, so that neighbors and other residents of Suisun City can ask questions or address any issue they may have. Complaints of any odors from the

facility will also be addressed to Jose who will work with our engineers and Director of Compliance, Andrew Hopkins, to investigate and mitigate any odors as soon as possible.

Odor Detection Form

Name of Reporting Party: _____

Phone Number: _____

Email Address: _____

Date: _____

Time: _____

Location of Odor: _____

Weather Conditions: _____

Date/Time of Notification: _____

Notification Method: Email Online In Person

Administrative Use Only

Mitigation Response Taken: _____

Date/Time Measures Employed: _____

Were Mitigation Measures Successful? _____

Signature/Date/Time: _____

Section 2.6: Disposal Plan

A. ORDINARY LITTER AND WASTE

Standard litter and waste produced at the facilities such as packaging material, paper, etc., will be taken out daily to the bins located behind the facility and placed in the appropriate containers. These exterior containers are locked at all times. The premises will be kept free of litter and waste and all hazardous materials will be properly stored pursuant to SCMC § 18.49.150(N). As discussed below, any cannabis materials or wastes will never be placed in these bins.

B. CONTAMINANTS AND HAZARDOUS MATERIALS

In compliance with SCMC § 18.49.150(M), Authentic 707 will not sell or otherwise house any products which contains any harmful contaminants, including pesticides, mold and/or fungus. Approximately 60% of the products sold at Authentic 707 will be “in-house” products which were cultivated in one of Shryne’s cultivation facilities, manufactured in one of Shryne’s manufacturing facilities and distributed through Shryne’s distribution network. The fact that most of the products sold at Authentic 707 did not leave our chain of custody from seed to sale is significant because (1) we do not use any pesticides or contaminants in our state of the art cultivation facilities and (2) while many products only undergo one level of testing prior to distribution, our products are tested two additional times as described in Section 2.8(H). And should any of the products fail at any point during the three testing phases, they will be destroyed pursuant to CCR § 5049(b)(7) and 5054(d). Please see Section 2.8 Operations Plan for more information on quality control and testing.

C. CANNABIS WASTE MANAGEMENT



Flower in our display pods which have been open for more than two weeks, any cannabis goods which are returned, damaged or cannot be sold will be destroyed according to our Standard Operating Procedures. The general manager will schedule the disposal of opened flower packages every two weeks. Damaged or returned products are kept separate in the inventory room and according to vendor for the vendor to pick up for analysis and eventual disposal. Such products to be destroyed will be initially placed into a 20 gallon secure polyethylene container provided by our waste management vendor, Cannabis Waste Solutions⁸, and will be locked until picked up by Cannabis Waste Solutions.

Such destroyed inventory will then be accounted for as destroyed in METRC and Indicaonline. Cannabis Waste Solutions will pick up the secure containers every week from our secure inventory room and will transport them into their facilities where they will be recycled into either energy for the power grid in California or made into various “new-gen” materials for the construction industry.

⁸ <https://cannabis-waste.com/about/>

See SOP below of our cannabis waste procedures:

STANDARD OPERATING PROCEDURE

SOP NO.	RT-S009.1	REV. NO.	1	SUPERSEDES	N/A
PERIODIC REVIEW [X]		NEW SOP [X]		REVIEW PERIOD	3 YEARS
ISSUE DATE	09/19/2019	EFFECTIVE DATE	09/19/2019	REVIEW DATE	09/19/2022
DEPARTMENT	Retail				
SOP TITLE	Retail Waste Management				
APPROVED BY			DATE		
APPROVED BY			DATE		

- 1.0 **Introduction/Purpose:** This procedure explains the process for disposing of cannabis waste.
- 2.0 **Scope:** This procedure is used by all retail associates who manage inventory, replace retail display samples, accept customer returns or otherwise dispose of cannabis goods.
- 3.0 **Responsibility/Training:** All persons within the retail department will receive training on how to classify and how to dispose of cannabis waste. All retail associates must be trained on this procedure before they can accept customer returns or replace display samples.
- 4.0 **Definitions:**
 - 4.1 Secure waste receptacle: means the labeled and secure waste container used to hold cannabis waste that is located in the limited-access area.
- 5.0 **Frequency:** This procedure will be repeated anytime that cannabis goods display samples are replaced; anytime that cannabis goods are returned by a customer; and anytime that cannabis goods are damaged and cannot be sold.
- 6.0 **Materials/Equipment:** Equipment used in this procedure include the secure waste receptacle.
- 7.0 **Preliminary Operations:** This procedure occurs after customers have been verified and authorized to enter the retail area.
- 8.0 **Procedure:**
 - 8.1 Types of Cannabis Waste:
 - 8.1.1 Any type of cannabis flower or cannabis product including but not limited to edibles, pre-rolls, vape cartridges and topicals.
 - 8.1.2 Any empty or damaged packaging that is used to contain cannabis goods.
 - 8.1.3 Cannabis goods returned by a customer or patient.
 - 8.1.4 Returned and recycled vape cartridges.
 - 8.1.5 Cannabis goods that have passed their expiration date.
 - 8.1.6 Cannabis goods that fell onto the floor or have been otherwise contaminated.

8.2 Identifying Cannabis Waste:

- 8.2.1 Any cannabis good that is returned by a customer may not be re-sold and must be disposed of as cannabis waste.
- 8.2.2 Any cannabis good abandoned on the premises (left behind by a customer) may not be re-sold and must be disposed of as cannabis waste.
- 8.2.3 Any cannabis good that has damaged packaging and cannot be returned to the distributor for a replacement must be disposed of as cannabis waste.

8.3 Disposing of Cannabis Waste:

- 8.3.1 All cannabis waste will be disposed of in the secure waste receptacle located in the limited-access room.
- 8.3.2 Before disposing of cannabis waste the batch number and product information from which the cannabis waste source must be capture.
- 8.3.3 Complete RT-F004.1 Retail Cannabis Disposal Log for each unique batch of cannabis waste.
- 8.3.4 After the Disposal Log is complete obtain the initials from the manager or supervisor.
- 8.3.5 After the manager or supervisor has initialed the Disposal Log place the cannabis waste in the secure waste receptacle.

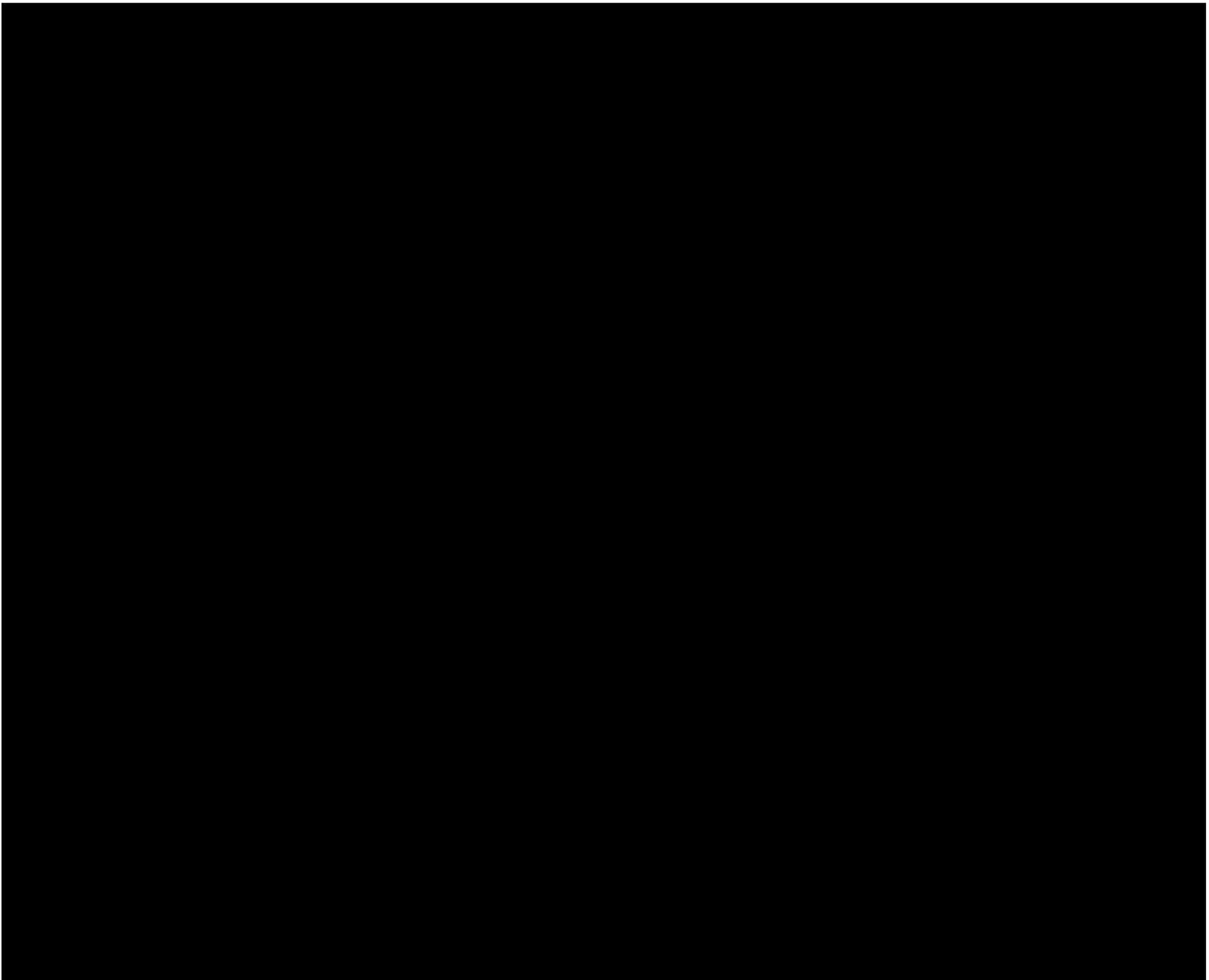
8.4 Rendering Cannabis Unusable and Unrecognizable:

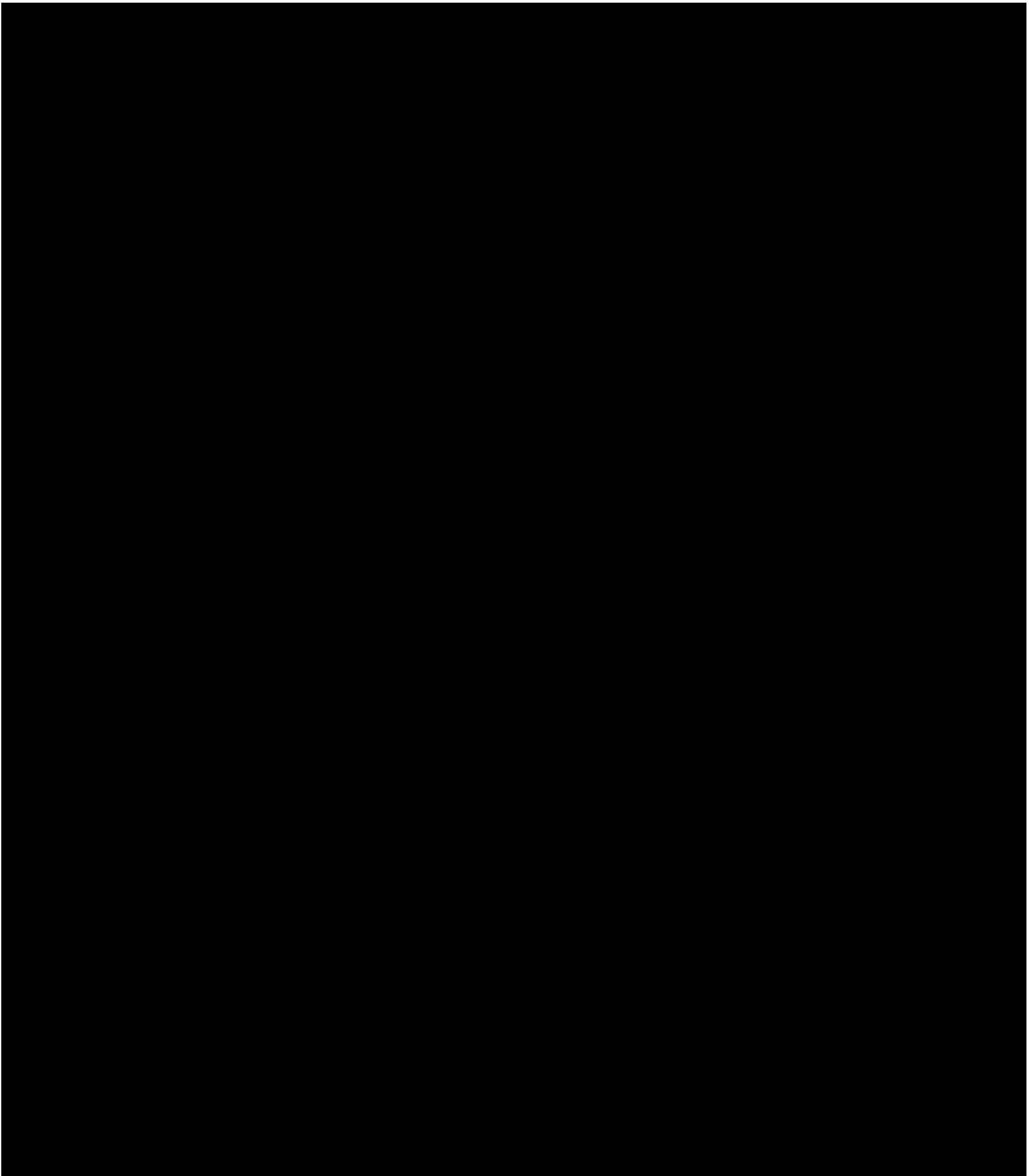
- 8.4.1 On a periodic basis the cannabis waste receptacle will be emptied by the waste management company named Cannabis Waste Solutions.
- 8.4.2 Cannabis Waste Solutions will arrive and enter the limited-access area in accordance with RT-S006.1 Limited-Access Area. Make sure the representatives sign the visitor log.
- 8.4.2 Cannabis Waste Solutions will count and inventory the cannabis waste.
- 8.4.3 Cannabis Waste Solutions will next render the waste unrecognizable and unusable by:
 - 8.4.4 Grinding empty cartridges
 - 8.4.5 Applying a proprietary slurry to the cannabis waste
 - 8.4.6 Cannabis Waste Solutions will replace the secure waste receptacle with a clean one.
 - 8.4.7 Cannabis Waste Solutions will email a weight receipt which will include the total quantity of waste collected.

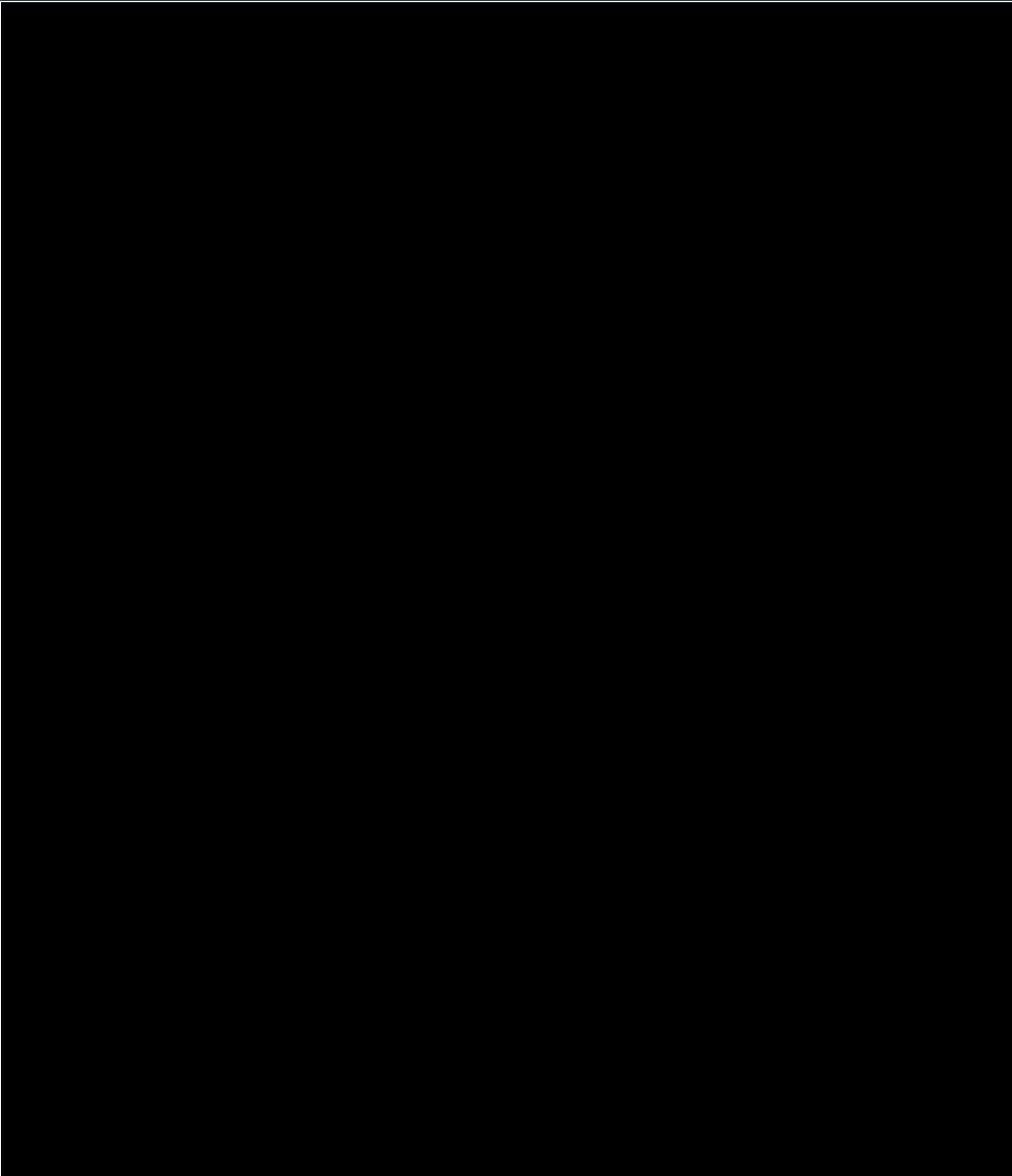
9.0 Cleaning Requirements: The secure waste receptacle must be kept clean at all times. Make sure all cannabis goods and packaging are located in the secure waste receptacle and cannabis waste is not located on the floor or lid.

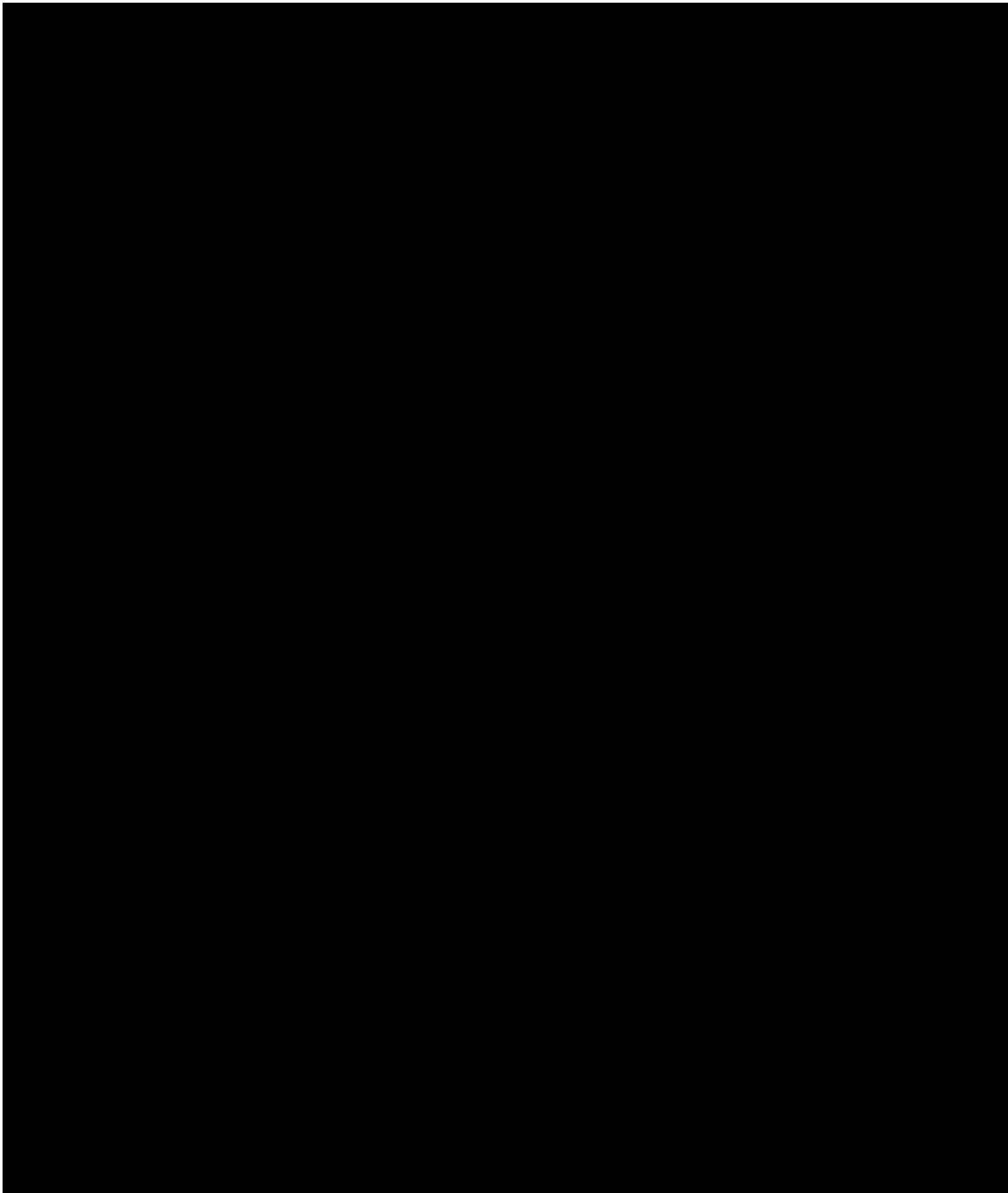
10.0 Calculations/Data Management/Documentation Requirements: This procedure involves the update of inventory records in accordance with AD-S011.1 Inventory Control and Reconciliation and the update of record keeping requirements in accordance with AD-S010.1 Record Keeping.

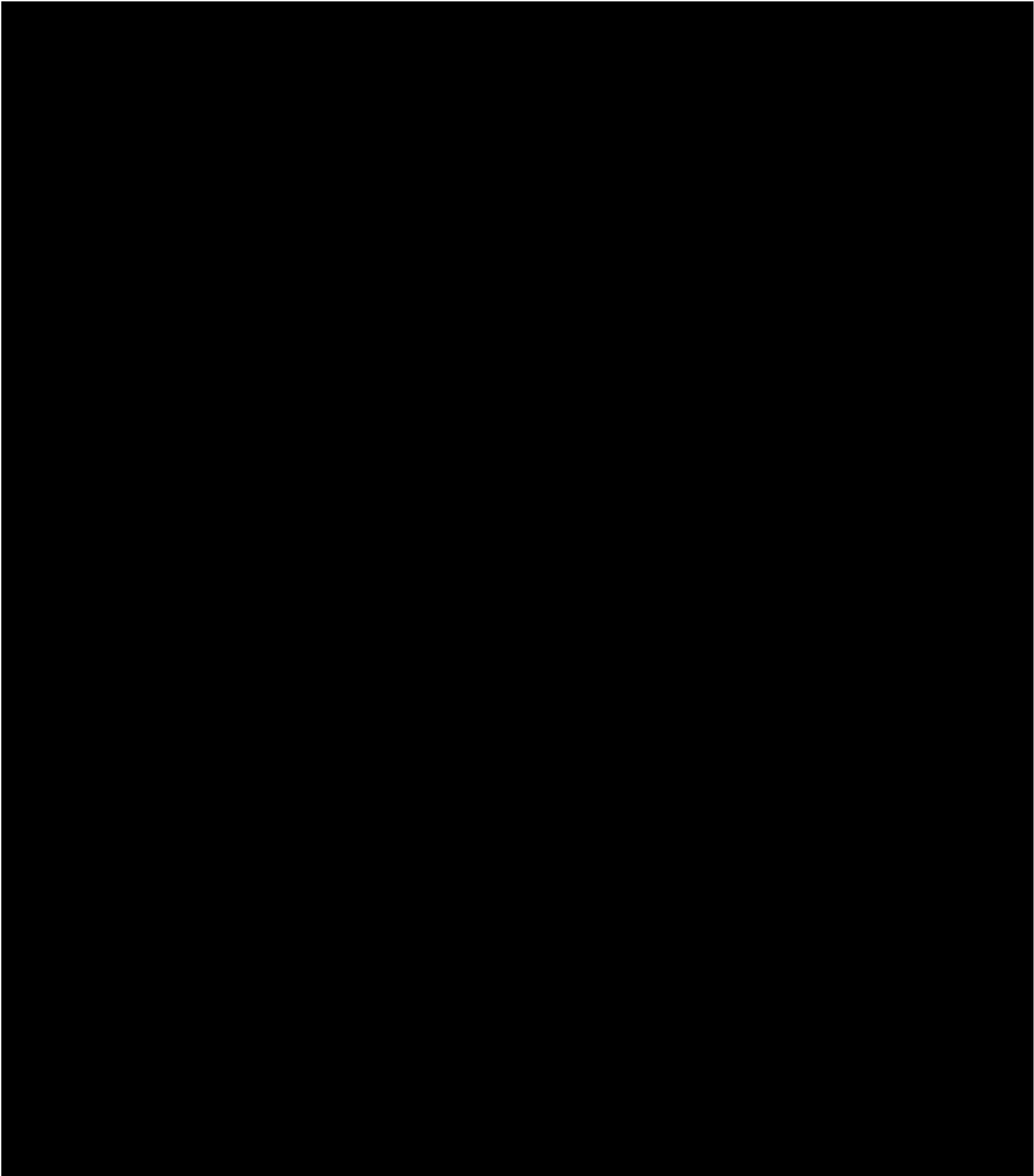
Section 2.7: Business Plan

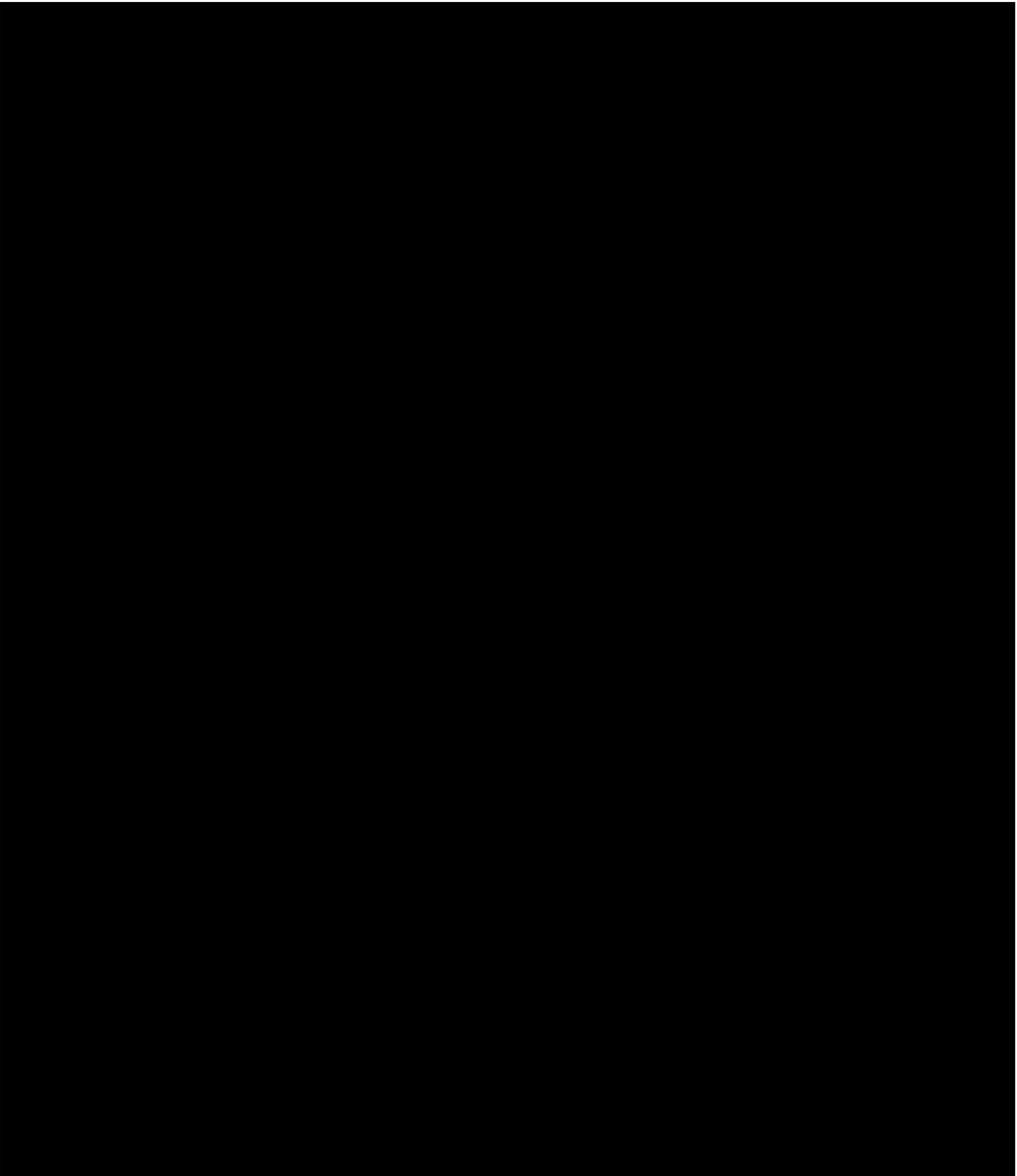


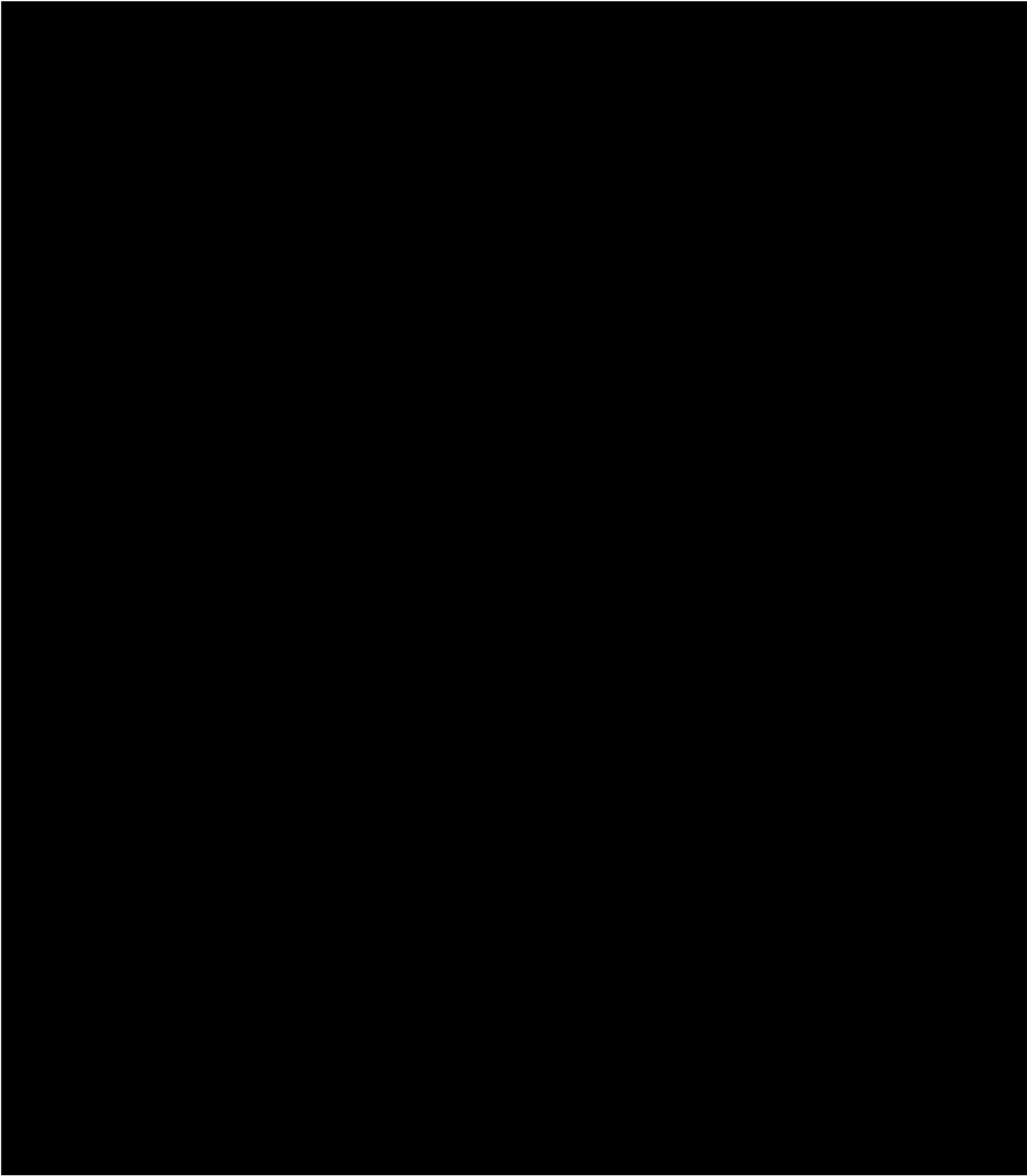


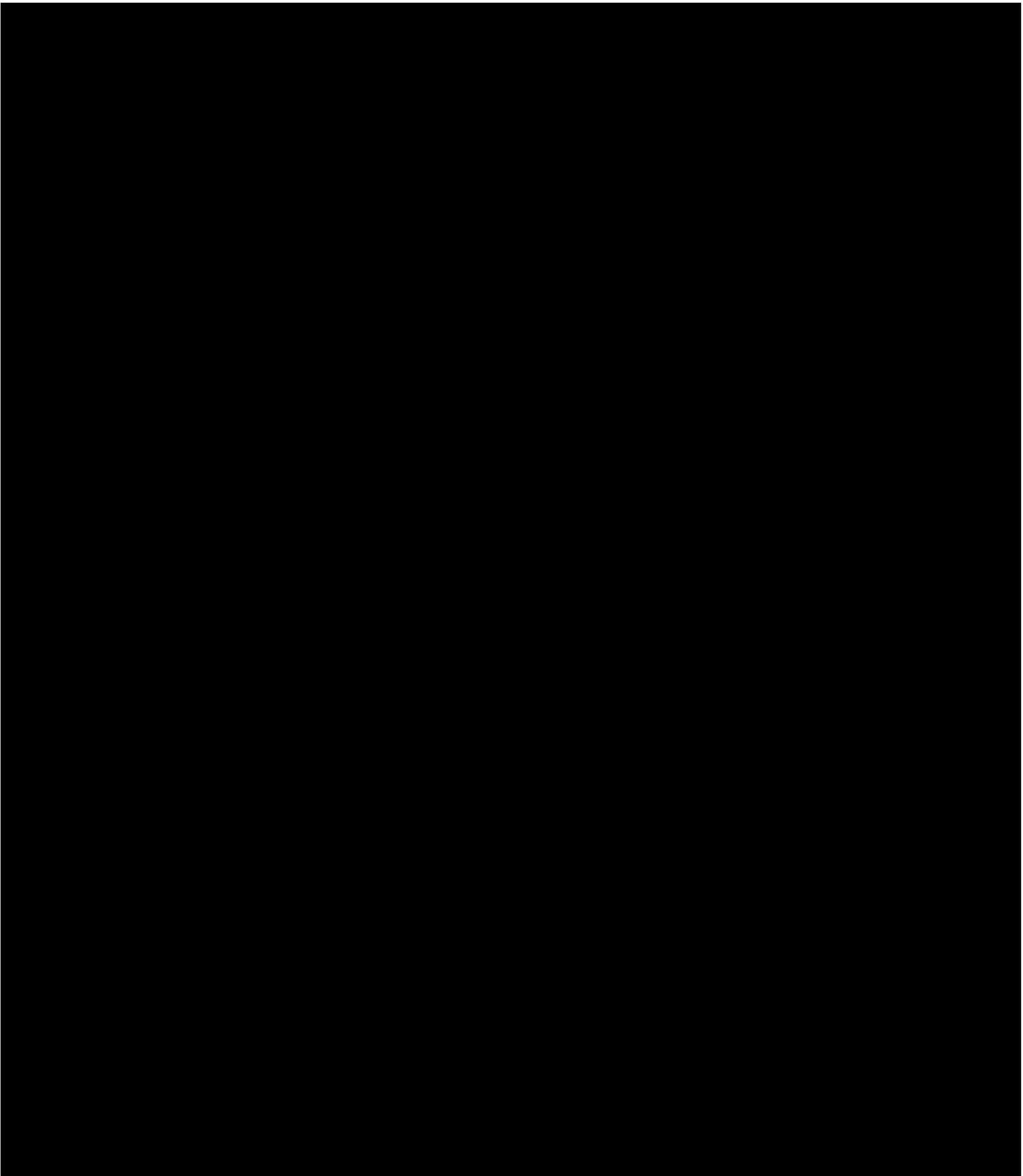


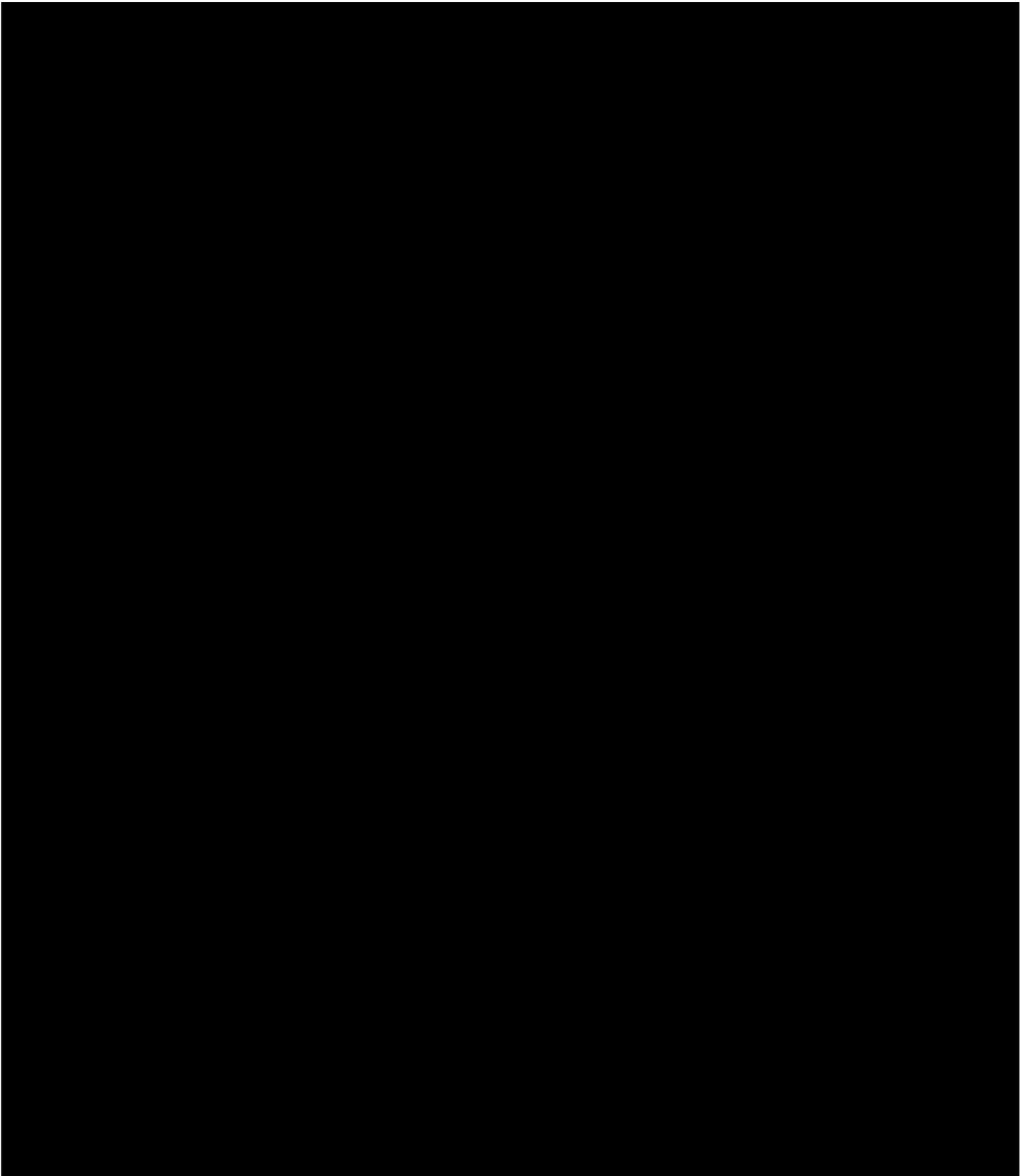


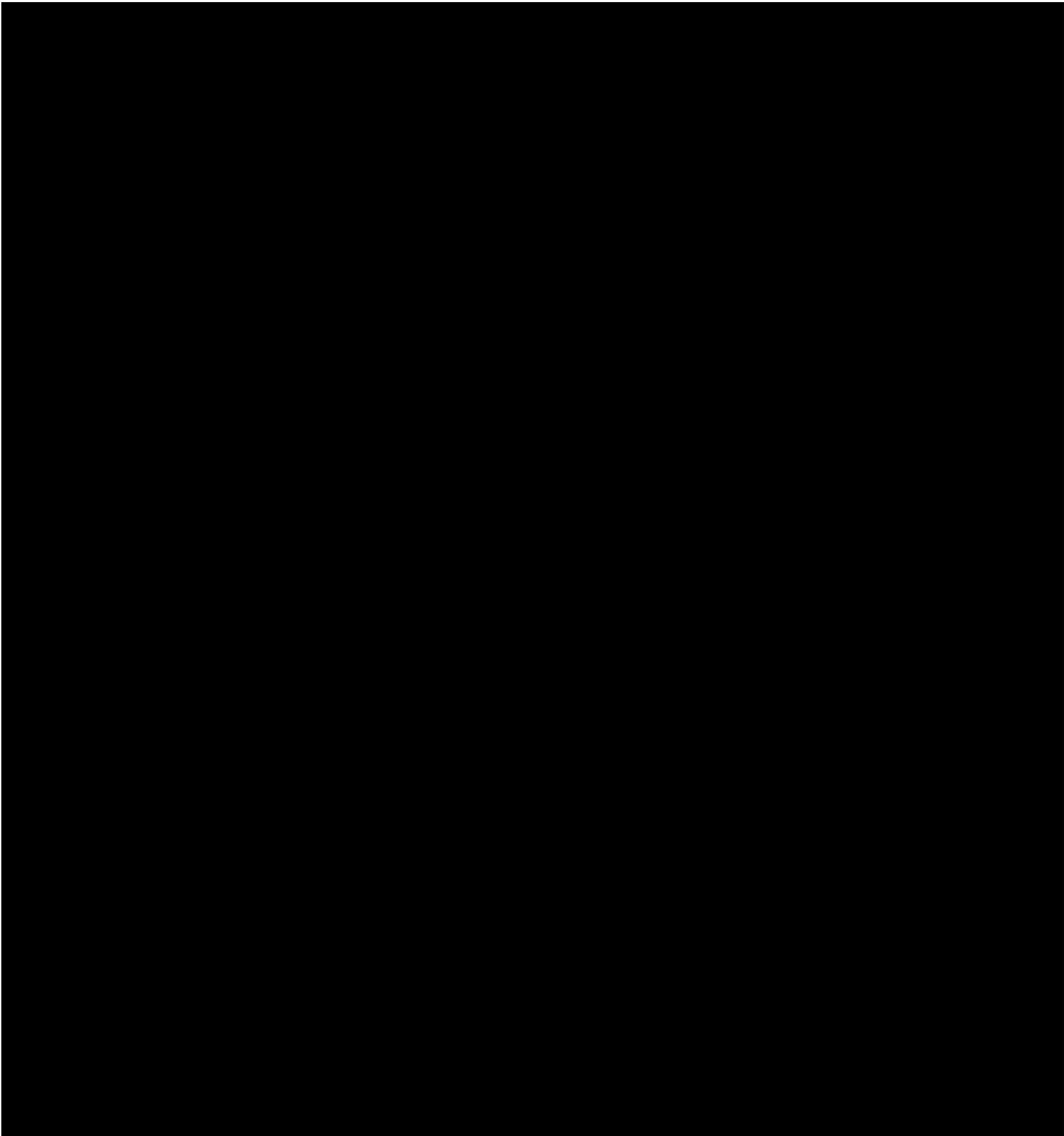


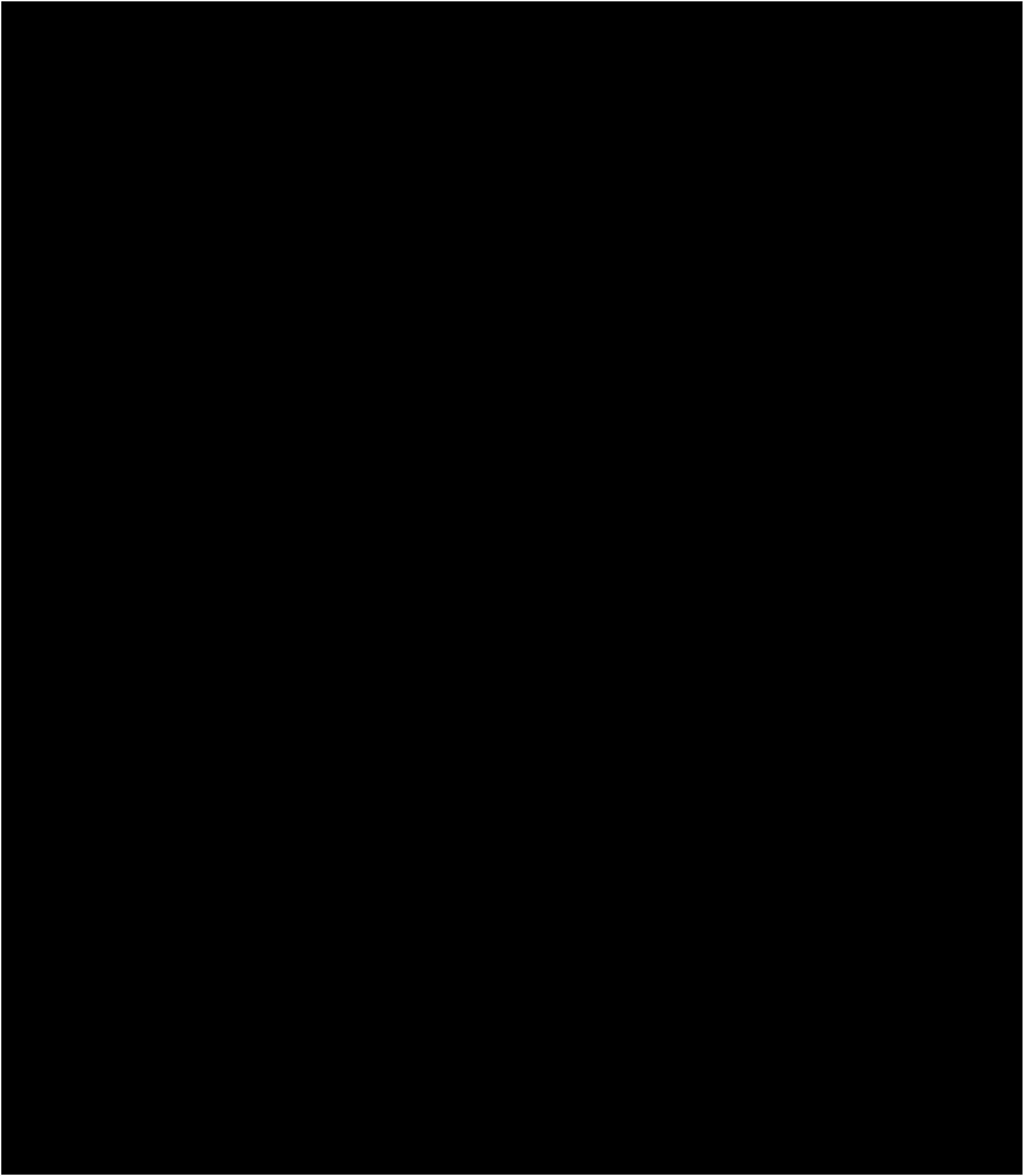


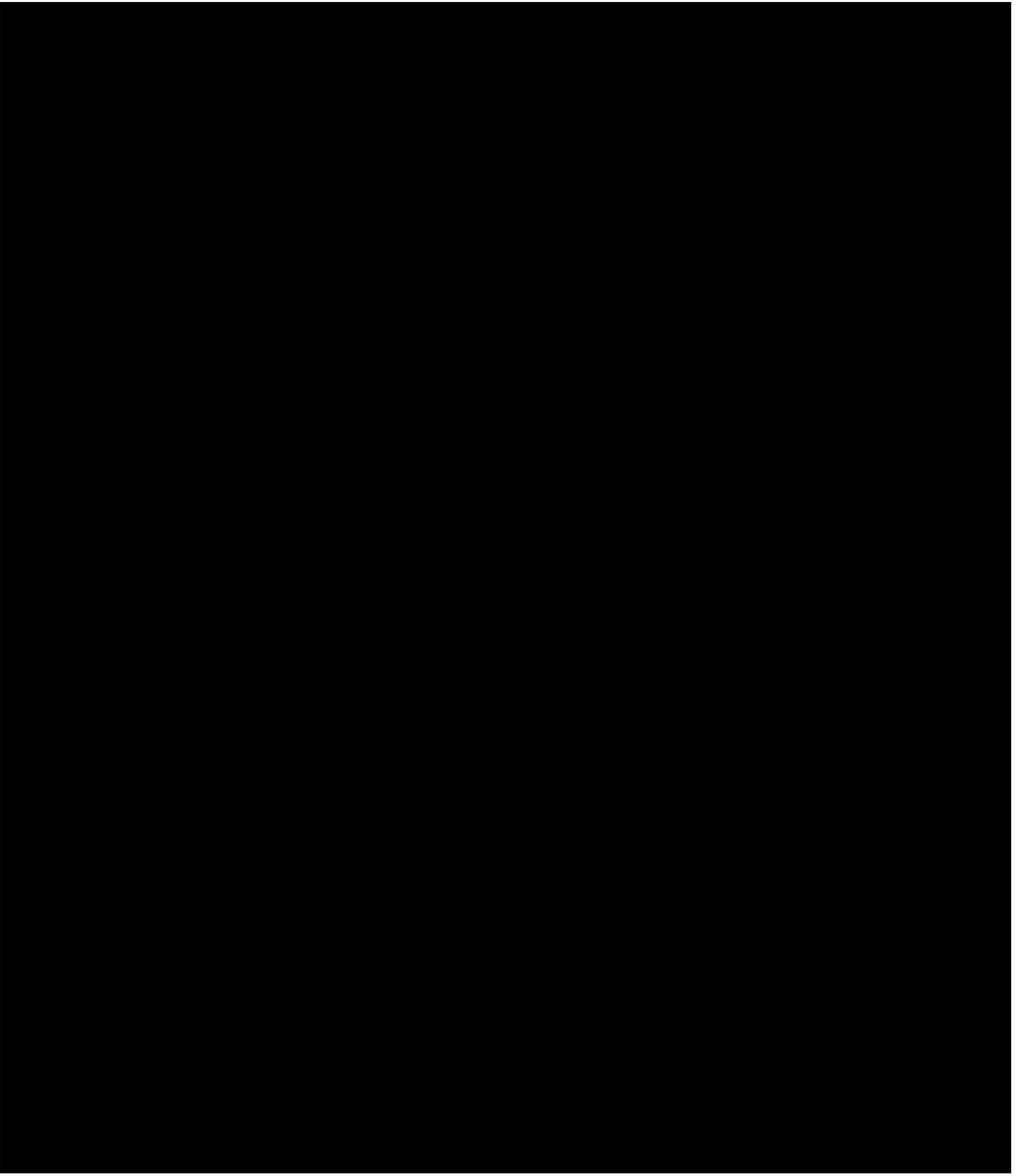


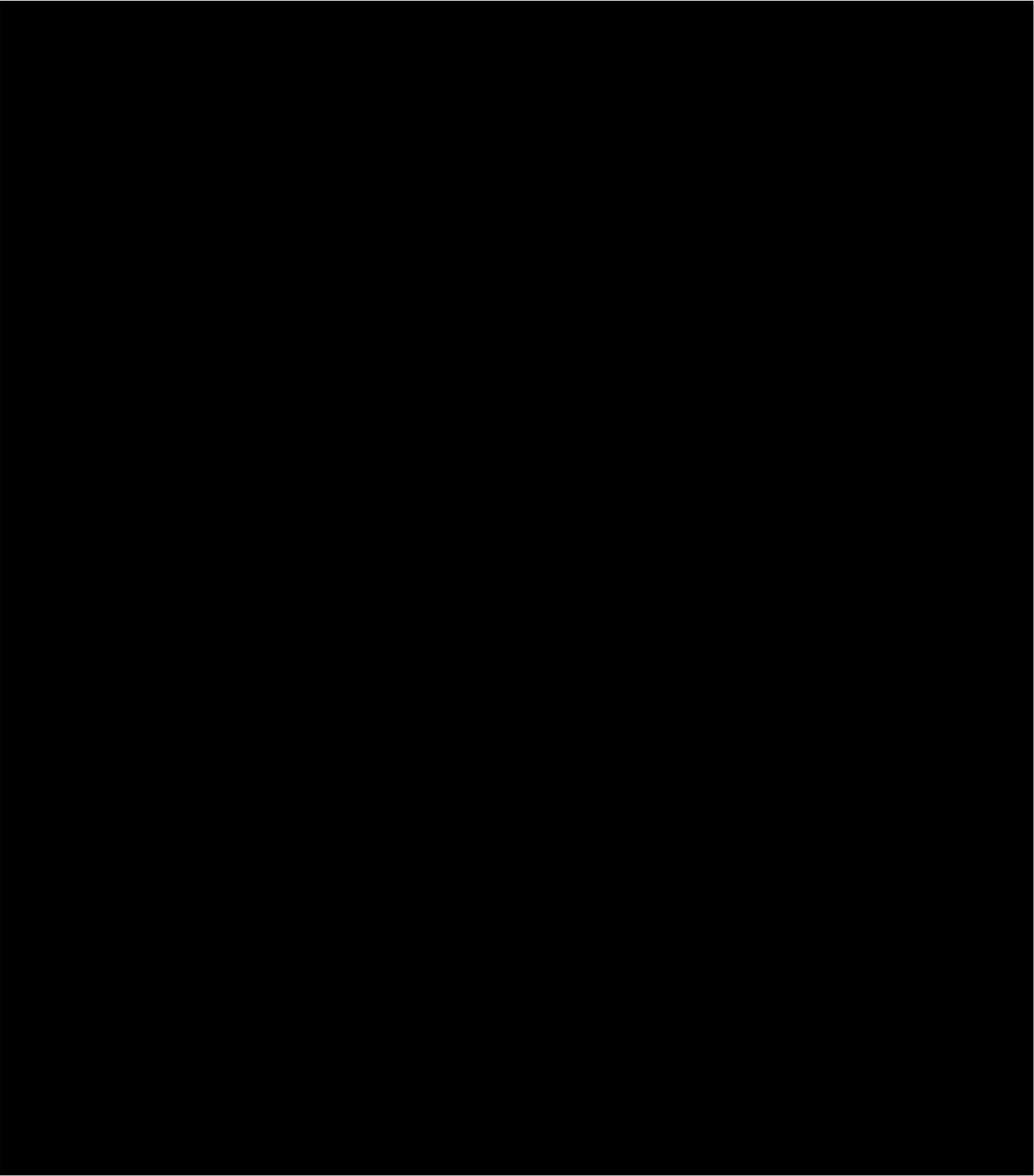


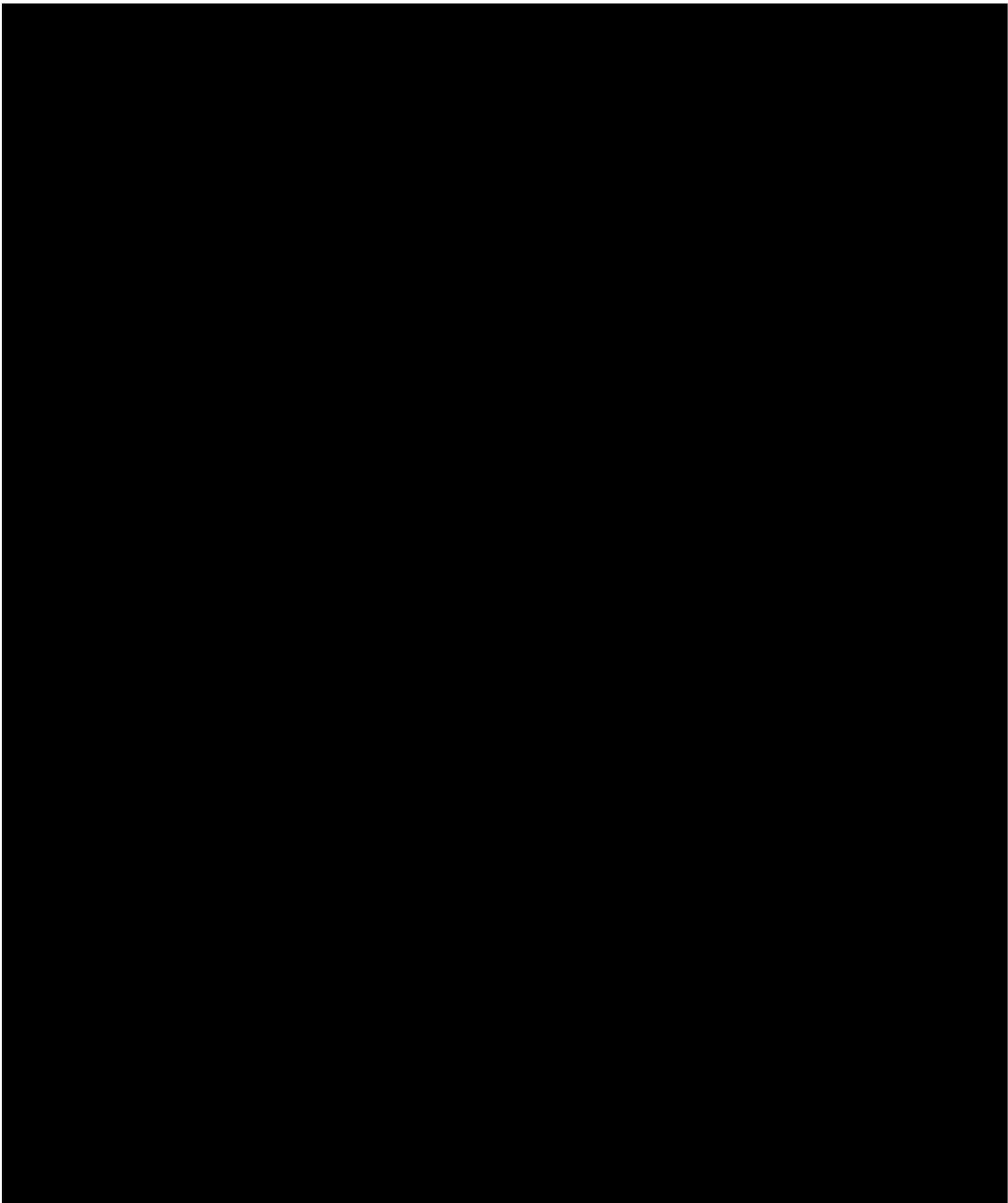


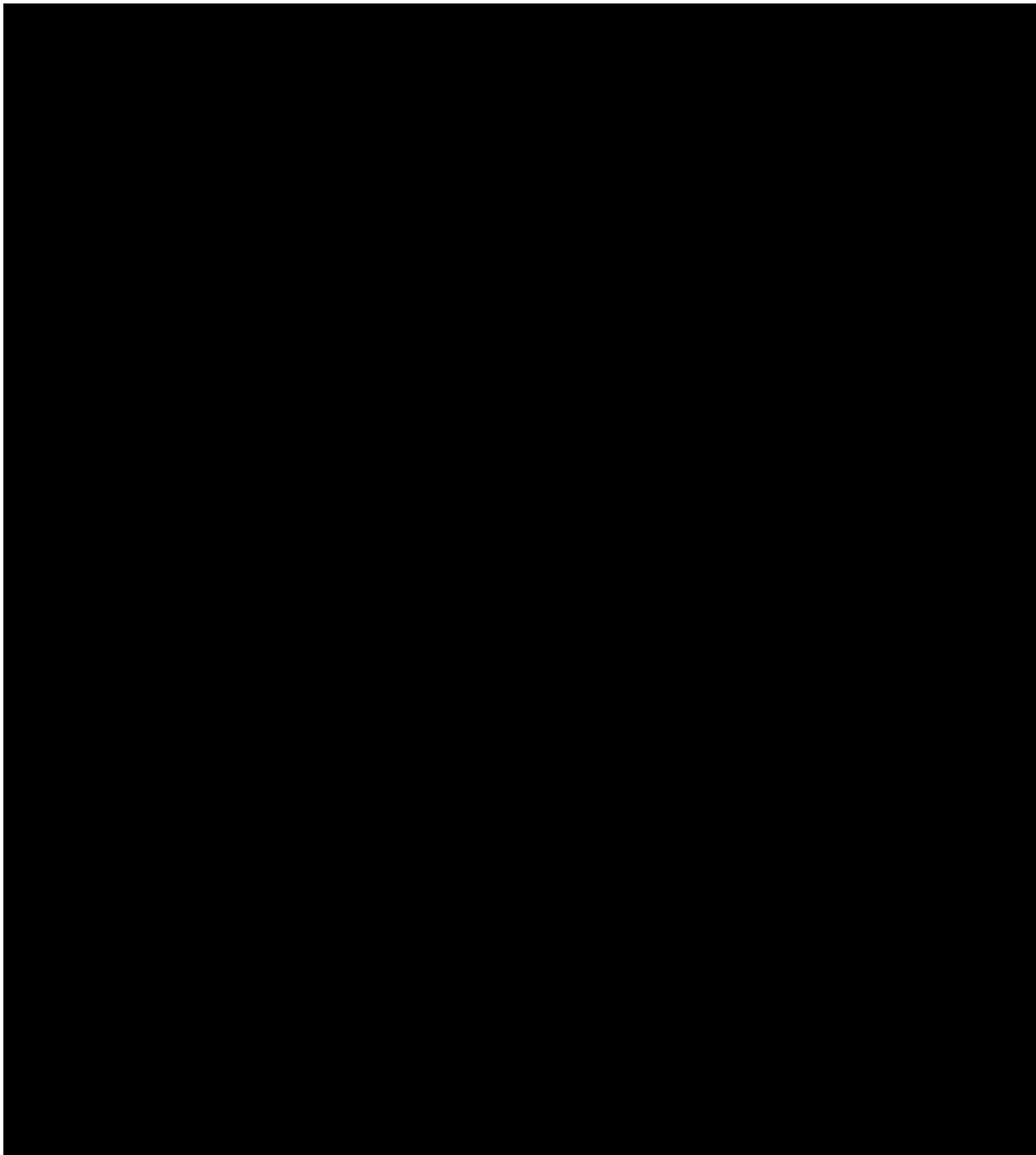


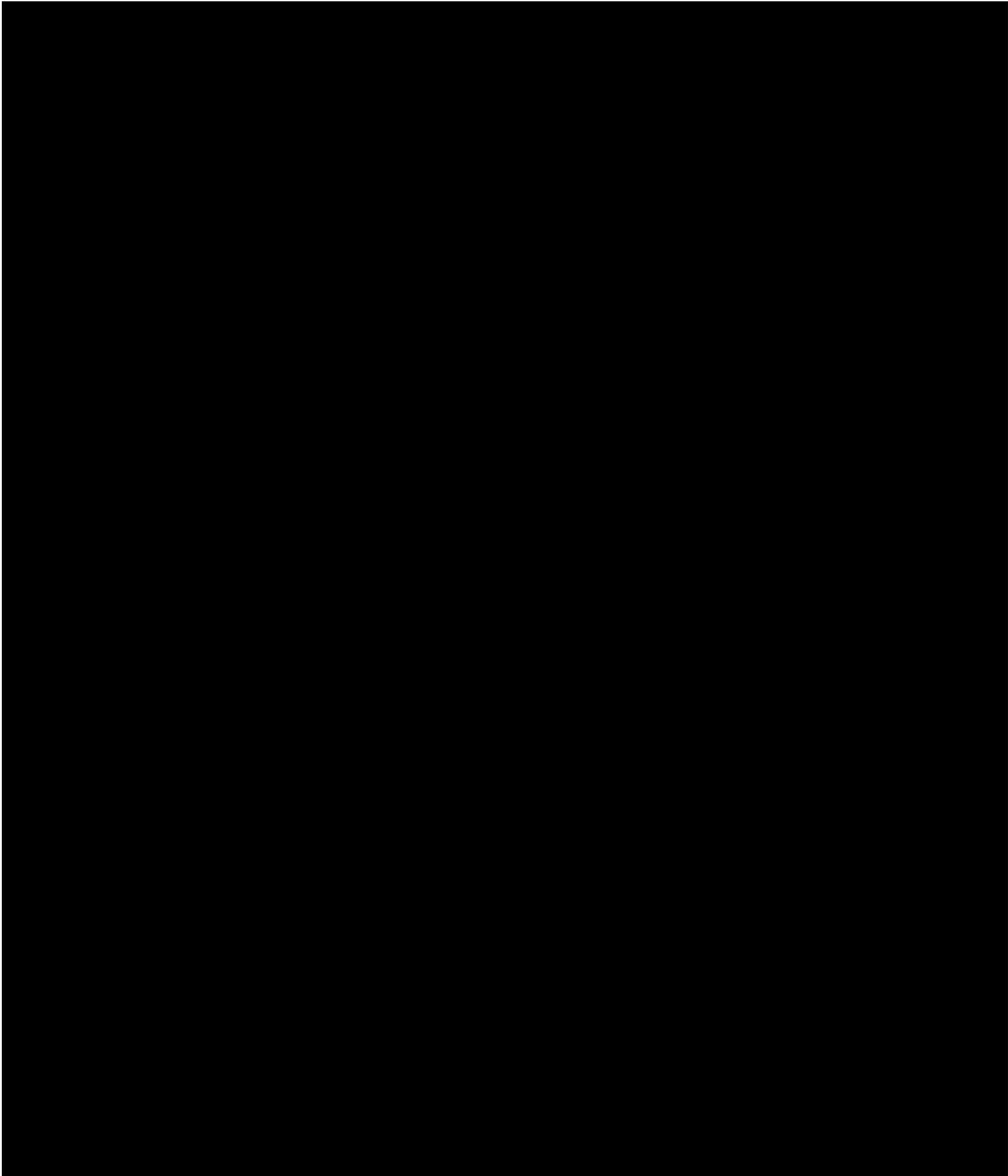






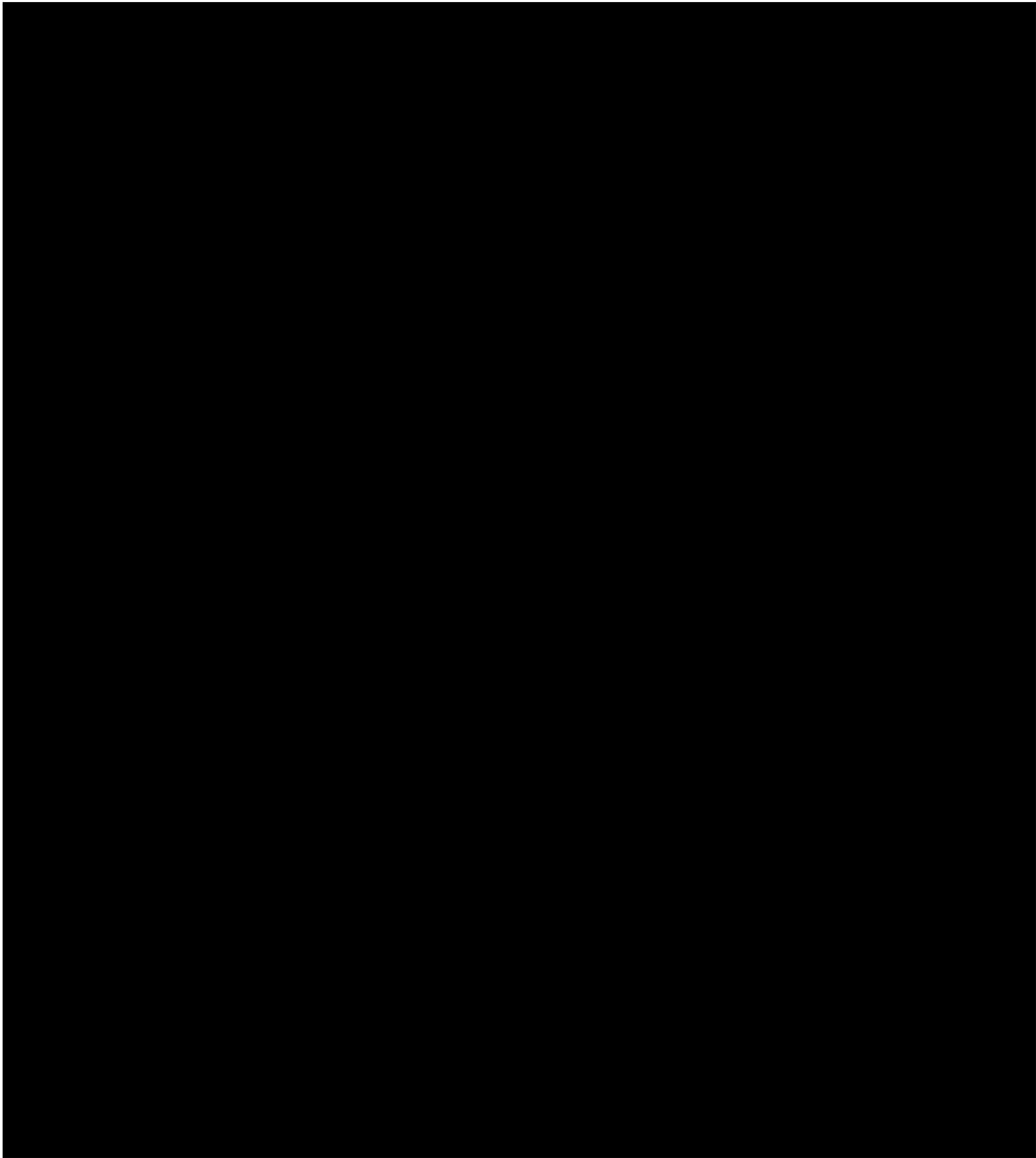


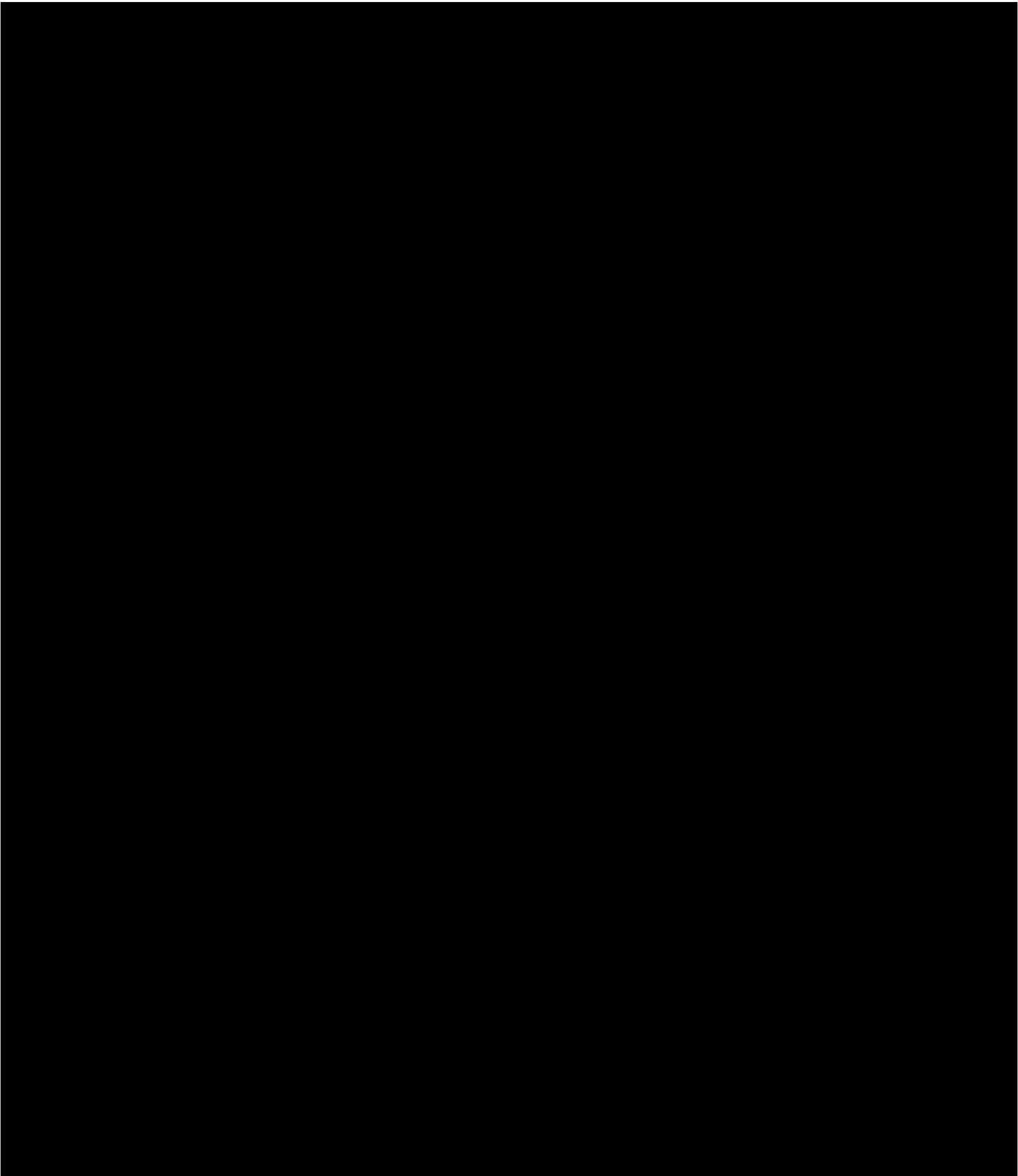


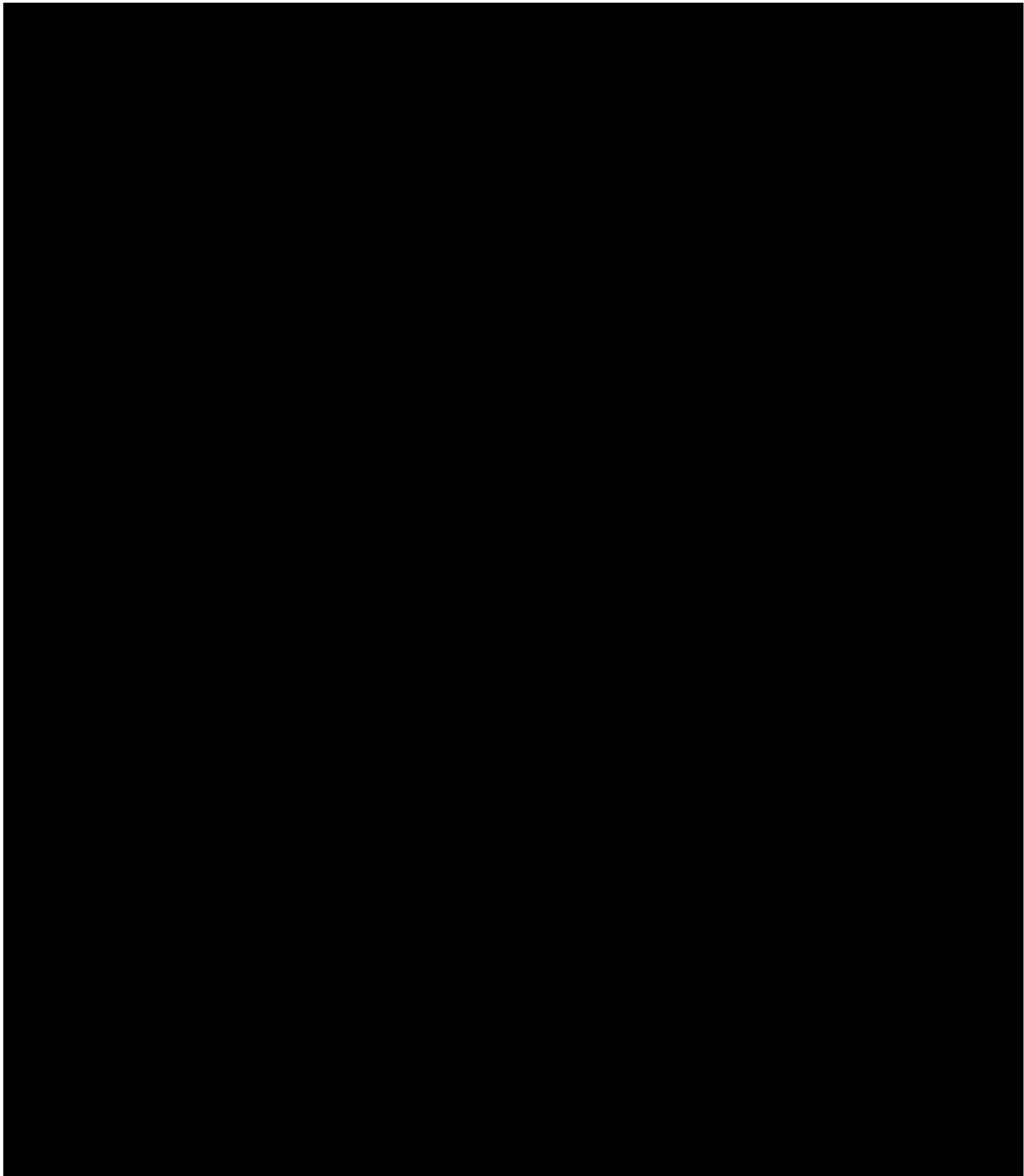


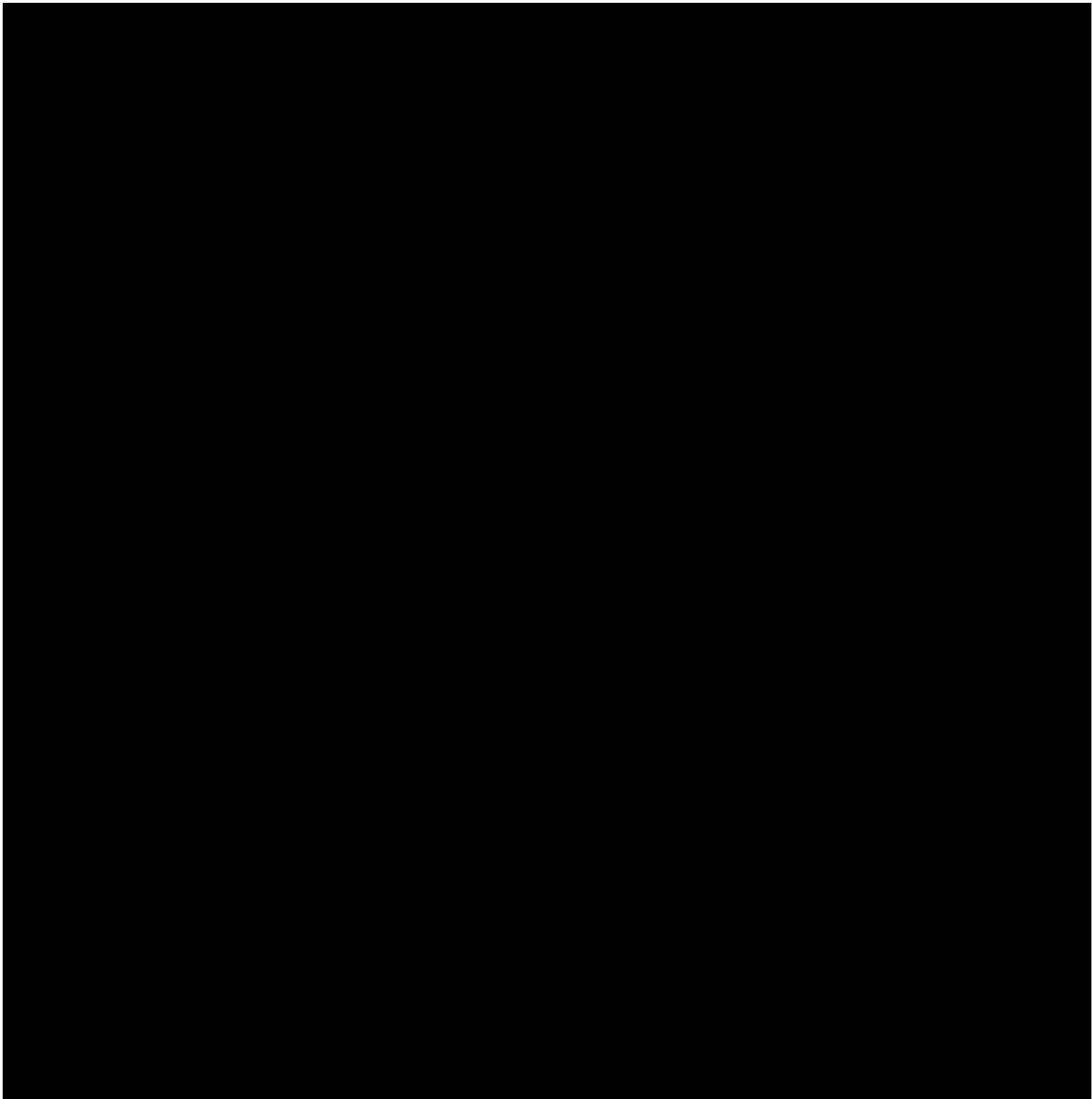
Section 2.8: Operations Plan

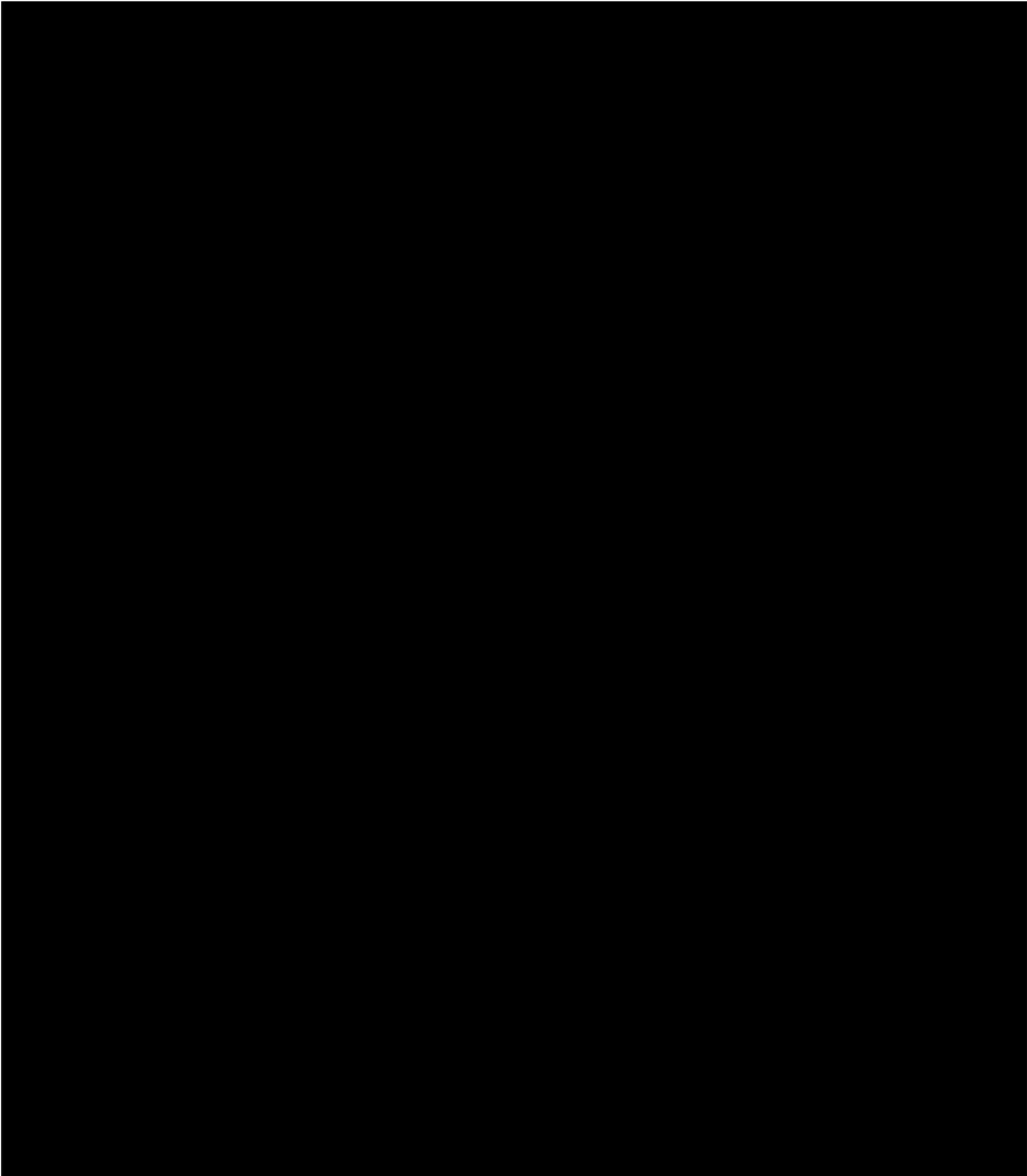


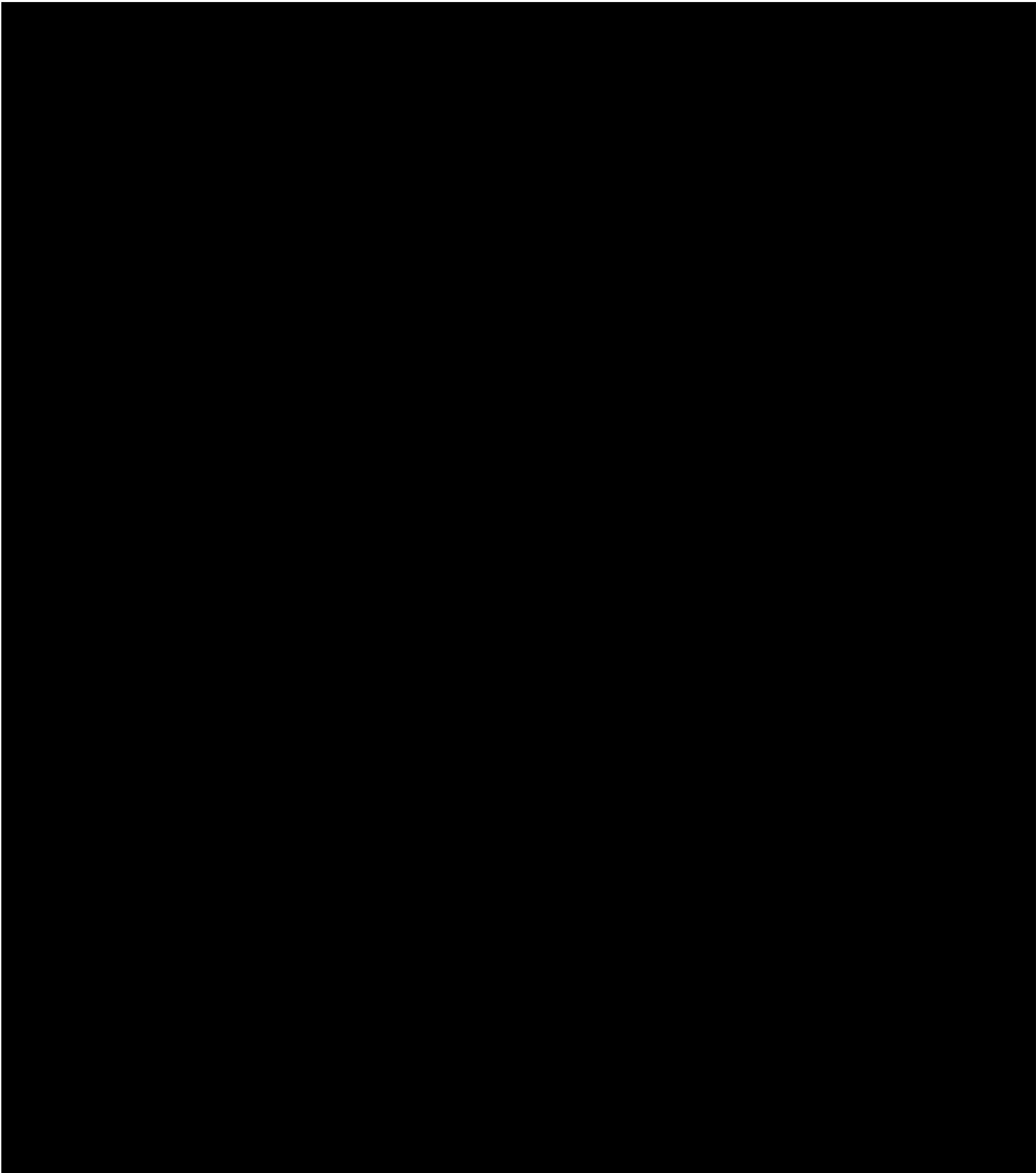


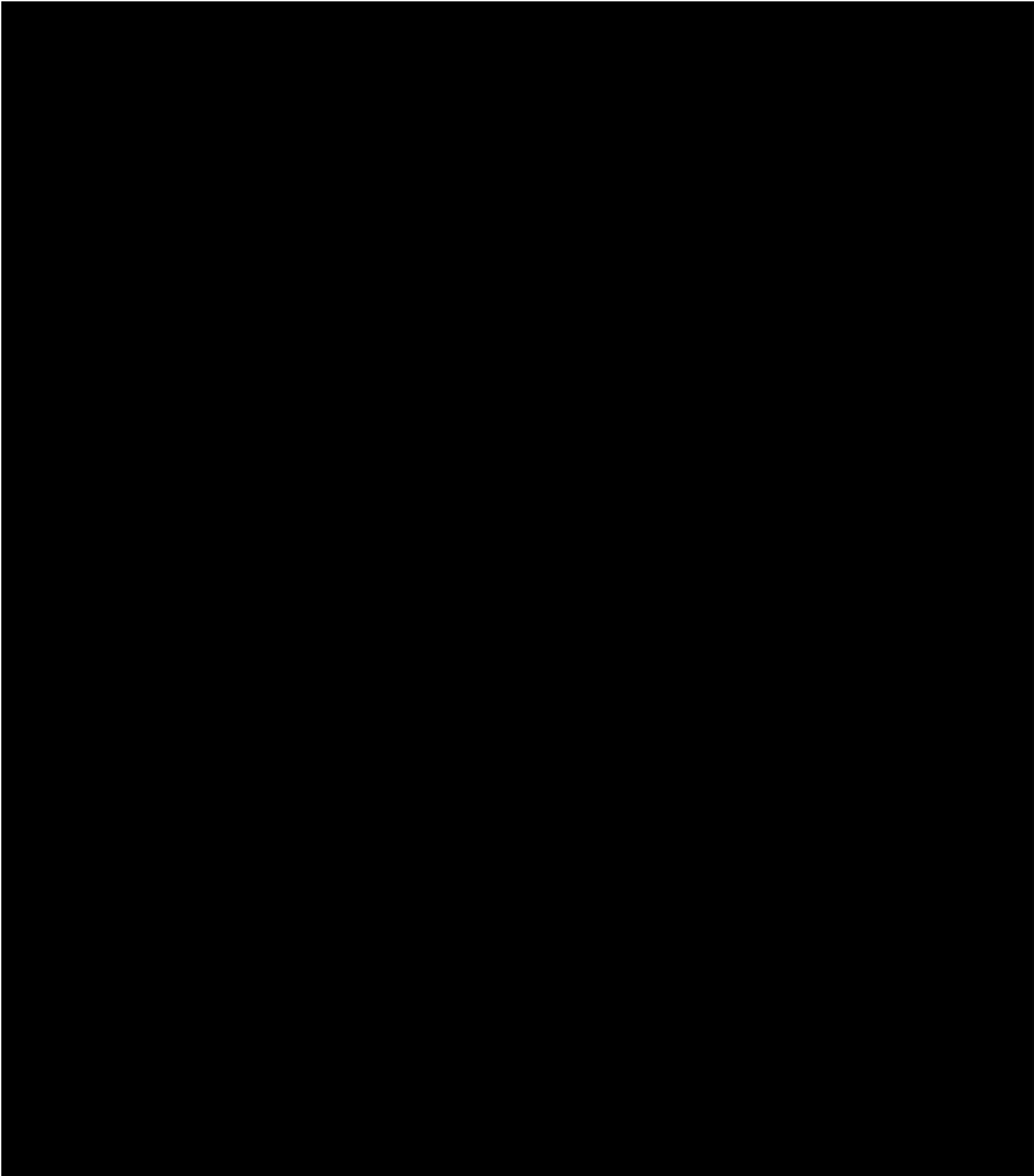


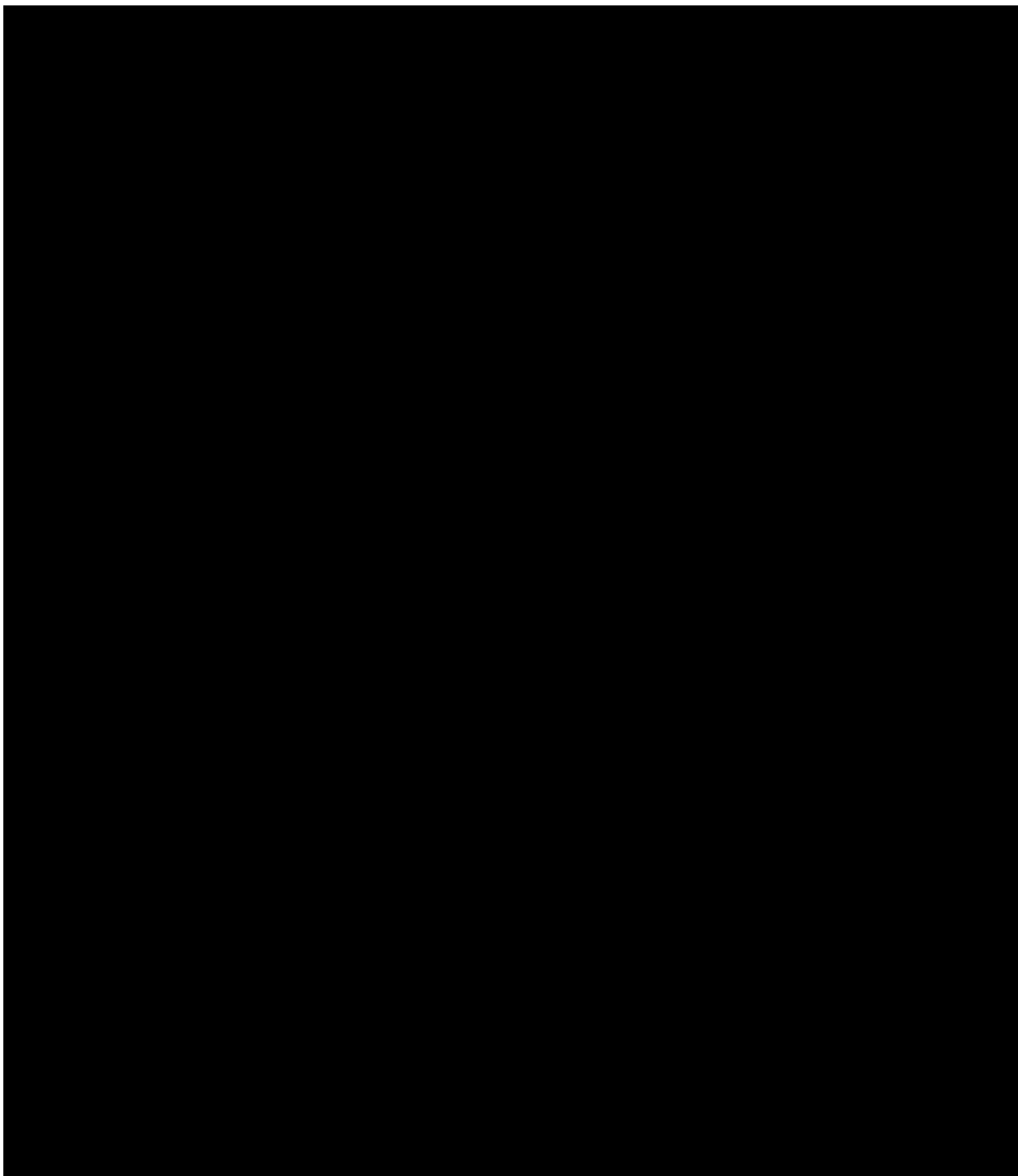


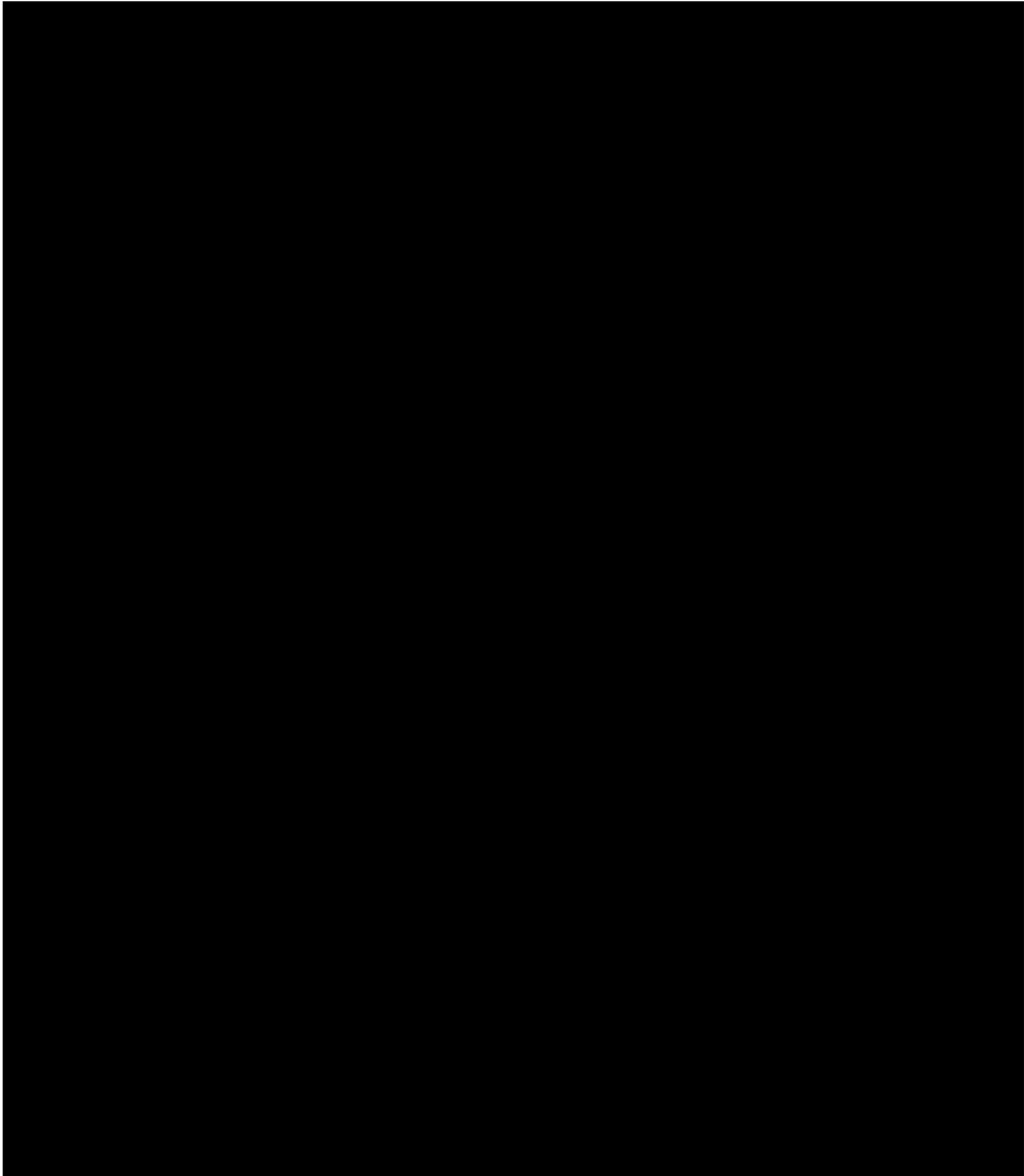


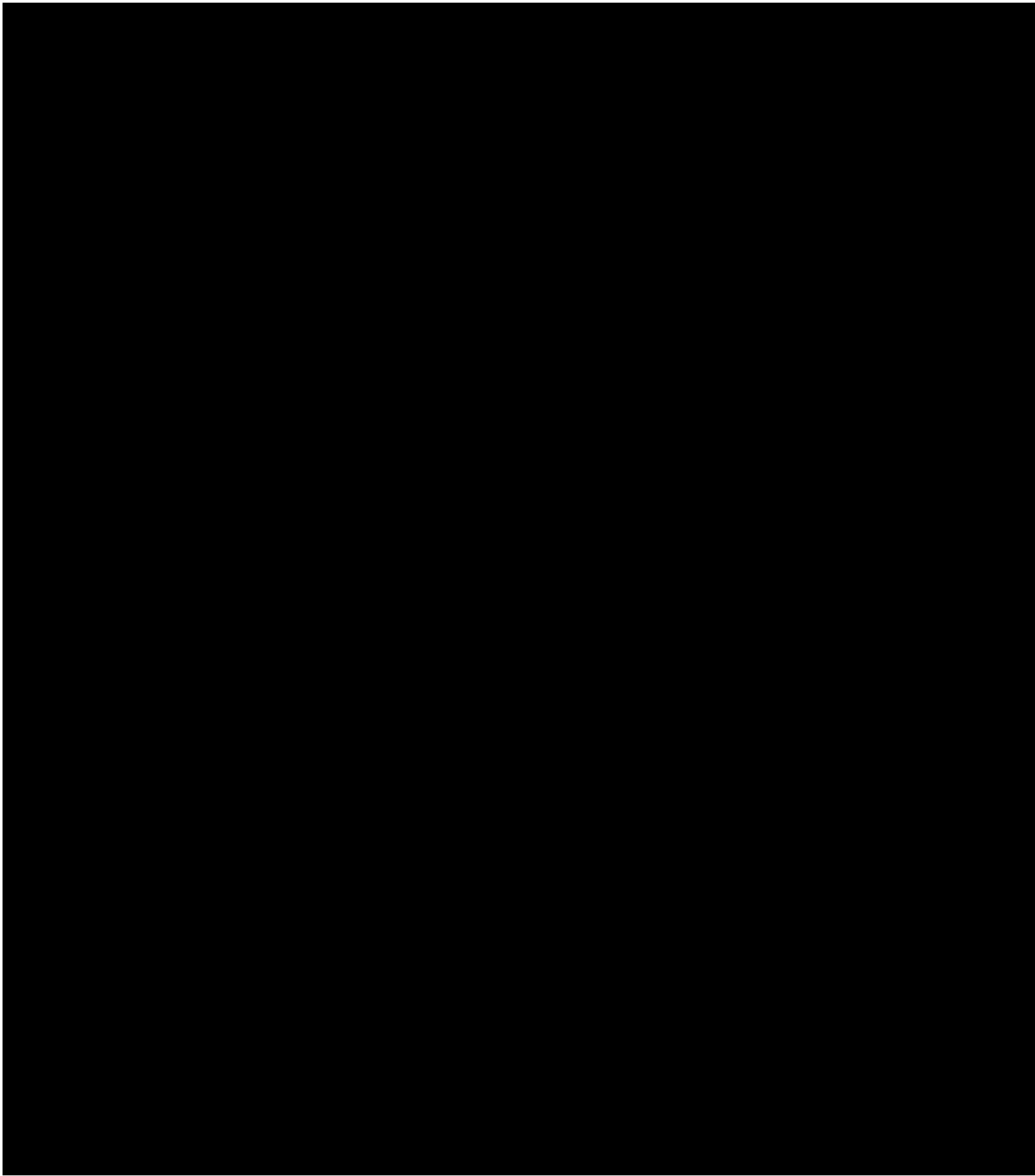


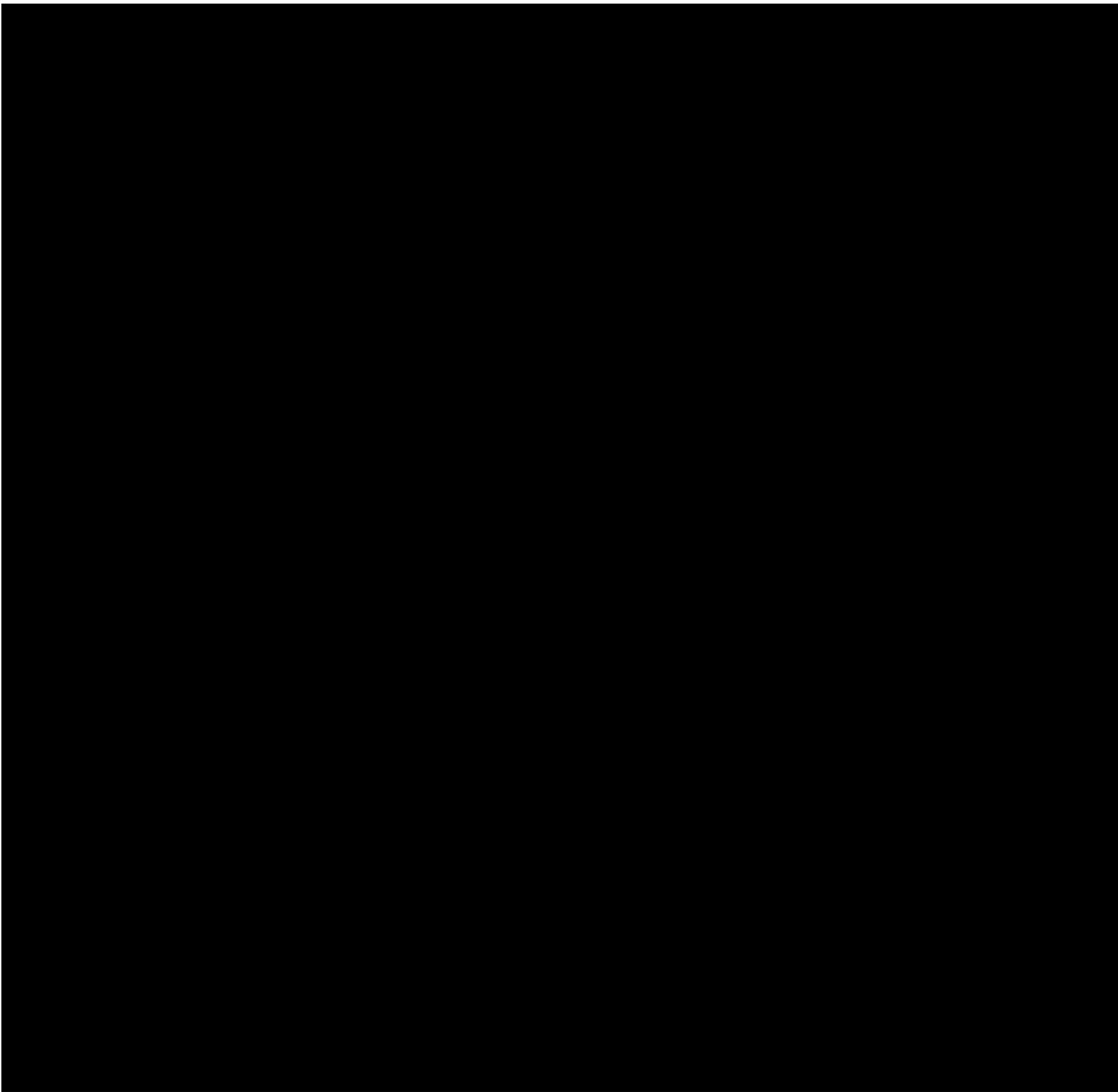








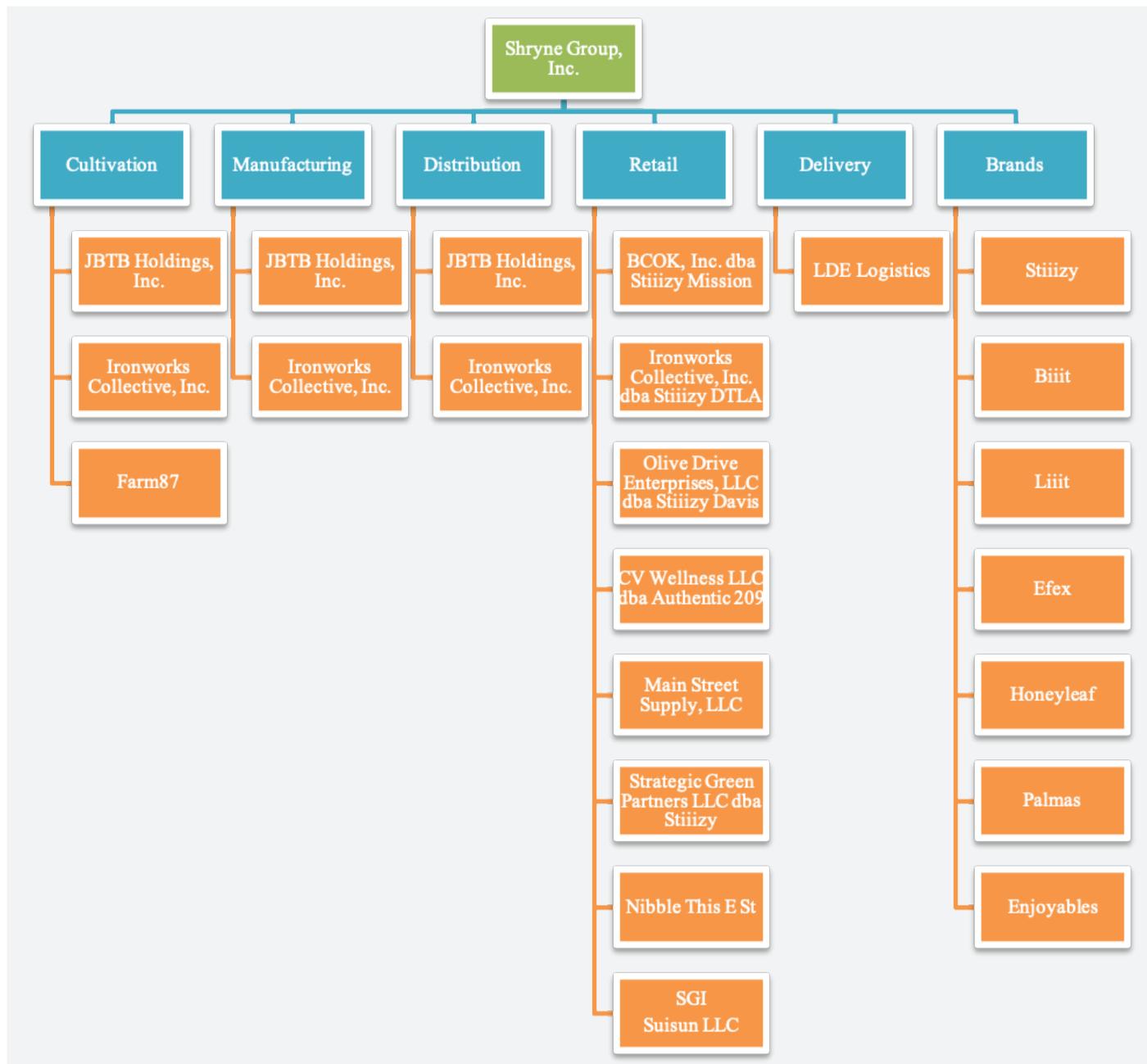




16 <https://www.greenentrepreneur.com/slideshow/343079>

Section 2.9: Qualifications of Applicant

The applicant, SGI Suisun LLC d/b/a Authentic 707, is a 100% owned subsidiary of Shryne Group Inc., one of the only truly fully vertically integrated cannabis companies based in California. Shryne is the parent entity and 100% owner of various other cannabis retail, manufacturing, cultivation, distribution, real estate and IP assets. See example below for a partial illustration of our organizational structure:



As mentioned in the Cover Letter, Shryne currently operates six retail, three cultivation, two manufacturing and two distribution operations in California with 13 more licenses currently under construction.



The success of Shryne’s seven retail stores in Downtown Los Angeles, Mission District San Francisco, Davis, Modesto, Palm Desert, and Alameda¹⁷ reflect Shryne’s rise as the preeminent cannabis dispensary operator in California. In these highly competitive and highly regulated jurisdictions, our retail stores are on pace to have annual revenues in excess of \$8,500,000, which is more than five times the annual revenue of the average dispensary in California according to data from the California Department of Tax and Fee Administration. **Most incredibly, while most cannabis dispensaries continue to lose money and go out of business¹⁸, Shryne is on track to generate \$227,000,000 in revenue and \$78,000,000 in EBITDA for 2020¹⁹.**

17 Shryne owns 49% of the interest of the Alameda store but operates and manages the store for the 51% owner.
 18 <https://www.cnbc.com/2019/03/28/medmens-financial-troubles-are-a-warning-for-the-marijuana-industry.html>
<https://mjbizdaily.com/profits-are-a-rarity-californias-new-regulated-marijuana-market-six-months-in/>
 19 These figures are based on revenue and EBITDA of Shryne for trailing three months of November, December and January.

Shryne's extraordinary track record of success can be attributed to the following:

1. EXPERIENCED LEADERSHIP

The co-founders Brian Mitchell and James Kim together have 18 years of experience in different aspects of the cannabis business which are essential to the success of the business. Together they have also built an invaluable team around them from within the cannabis industry and from other industries such as finance, legal, compliance, and beverages to build the number one cannabis retail company in California.



Brian Mitchell,
Co-Founder and CEO

Solano County local, Brian Mitchell has dedicated the last 12 years to cultivating, manufacturing and selling the purest, safest and highest quality products for medical patients, sufferers of physical ailments and recreational cannabis users. Prior to becoming the CEO of Shryne, Brian founded and operated numerous companies, including Northstar Equities, a capital investment firm which focused on early stage investments with companies in the aerospace, defense, construction and technology sectors. Spurred by his experience with medical cannabis when Brian had cancer, Brian has also founded and operated companies in each of the cannabis verticals, including a 160 acre cannabis cultivation in Humboldt County, Honeyleaf – a high end cannabis brand for cannabis connoisseurs, and La Corona Wellness Center²⁰ – one of the first licensed adult use cannabis dispensaries in San Francisco which opened in March 2018²¹. His 15 years of experience founding and operating companies and his 12 years founding, operating and overseeing the growth of cannabis companies in the cultivation, manufacturing and retail verticals puts Brian in the optimal position to lead Authentic 707's retail operations.

The collage features three articles:

- Forbes:** "A Deep Dive With Cannabis Entrepreneur Brian Mitchell, CEO Shryne Group" by Warren Bobrow. Includes a photo of Brian Mitchell at a store opening.
- Cannabis Industry Journal:** "Interview With Shryne Group CEO And Co-Founder Brian Mitchell" by MERISE. Includes a photo of Brian Mitchell and the Shryne Group Inc. logo.
- Green Entrepreneur:** "Can Cannabis Help Redefine Capitalism?" by Brian Mitchell. Includes a photo of cannabis leaves and a "Free Book Preview Cannabis Capital" offer.

20 The name was recently changed to Stiiizy Mission.

21 These assets are now owned by the Shryne Group.



James Kim,
Co-Founder and Managing Director

An army veteran, James discovered the benefits of cannabis eight years ago after serving a 13-month tour in Iraq with the 101st Airborne Division. Having witnessed other fellow veterans becoming addicted to alcohol and opioids while battling PTSD from their deployment, James was determined to overcome his PTSD without becoming addicted to drugs or alcohol and to introduce others suffering from physical or mental trauma to the healing effects of marijuana. James devoted six months of his life to researching the benefits of cannabis after his tour ended and cannabis helped him safely overcome his PTSD. James went on to found Stiizy – a cannabis vape pen, Liit – flower and pre-rolls, Bliit – cannabis-infused gummies and other cannabis brands in 2016. Since then, these brands have developed an avid following in California and are sold in 70% of retail dispensaries across the state. At Shryne, James continues to build brand recognition and a loyal customer base with loyal fans lining up at our dispensary grand openings. No other cannabis retail store has its own product line which comes close to driving product loyalists to their retail stores quite like ours. James has also managed numerous dispensaries including Ironworks Collective in Marina Del Rey and 1212 Broadway Medical Center Inc. and 10 Spot Collective in Santa Ana and learned every aspect of the cannabis retail business as a cashier/janitor/manager of these stores. Through his hands-on experience, James has created the most effective and comprehensive Standard Operating Procedures which exceed state and local requirements. James’s unique knowledge of retail operations and product development puts him in a prime situation to understand how to maximize sales through curating products geared towards each store and its community. James is frequently featured on Forbes, Green Entrepreneur, and Green Market Report as an expert in cannabis retail branding.



Andrew Hopkins,
Director of Compliance

Andrew Hopkins has over a decade of regulatory compliance experience in the food and agricultural industries with companies such as Dole Food Company, Monsanto (Bayer) and FTD Companies. With a Bachelor of Science degree in Logistics and Supply Chain Management and a Customs Broker License from the US Customs and Border, Andrew is an expert in building legally compliant infrastructures and Standard Operating Procedures for consumer facing companies. Together with John Malone and our outside attorneys, Andrew has created over 60 Standard Operating Procedures for our retail operations, including age verification and check-in, package labeling, daily sales limits, and inventory control. Andrew and the compliance team stay ahead of changing state and local cannabis requirements and perform internal audits at least once a month to ensure 100% compliance of all our operations.



Marshall Minor,
Chief Financial Officer

Marshall Minor is a seasoned financial expert in the cannabis industry. He and his 12-person team of accountants and financial analysts oversee all financial aspects of Shryne and our retail, cultivation, distribution, and manufacturing operations. Aspects like accounting, financial planning and analysis, internal audits, payroll, accounts payables, and tax reporting and payments on the federal, state and local levels all fall under his purview. With over 20 years in investment banking and corporate finance with companies such as Salomon Smith Barney and MGM Resorts. Marshall is an expert in navigating cash management policies, financial reporting requirements and other industry specific requirements associated with highly regulated industries. Prior to joining Shryne, Marshall was the CFO for Aether Gardens, a cannabis cultivation and extraction company, where he became an expert on cannabis financial reporting and accounting, including 26 U.S. Code Section 280E which prohibits deductions of ordinary business expenses from gross income derived from marijuana. With Marshall's expertise, Shryne remains one of the few cannabis retailers to generate profits while abiding with all city, state, and federal tax requirements.

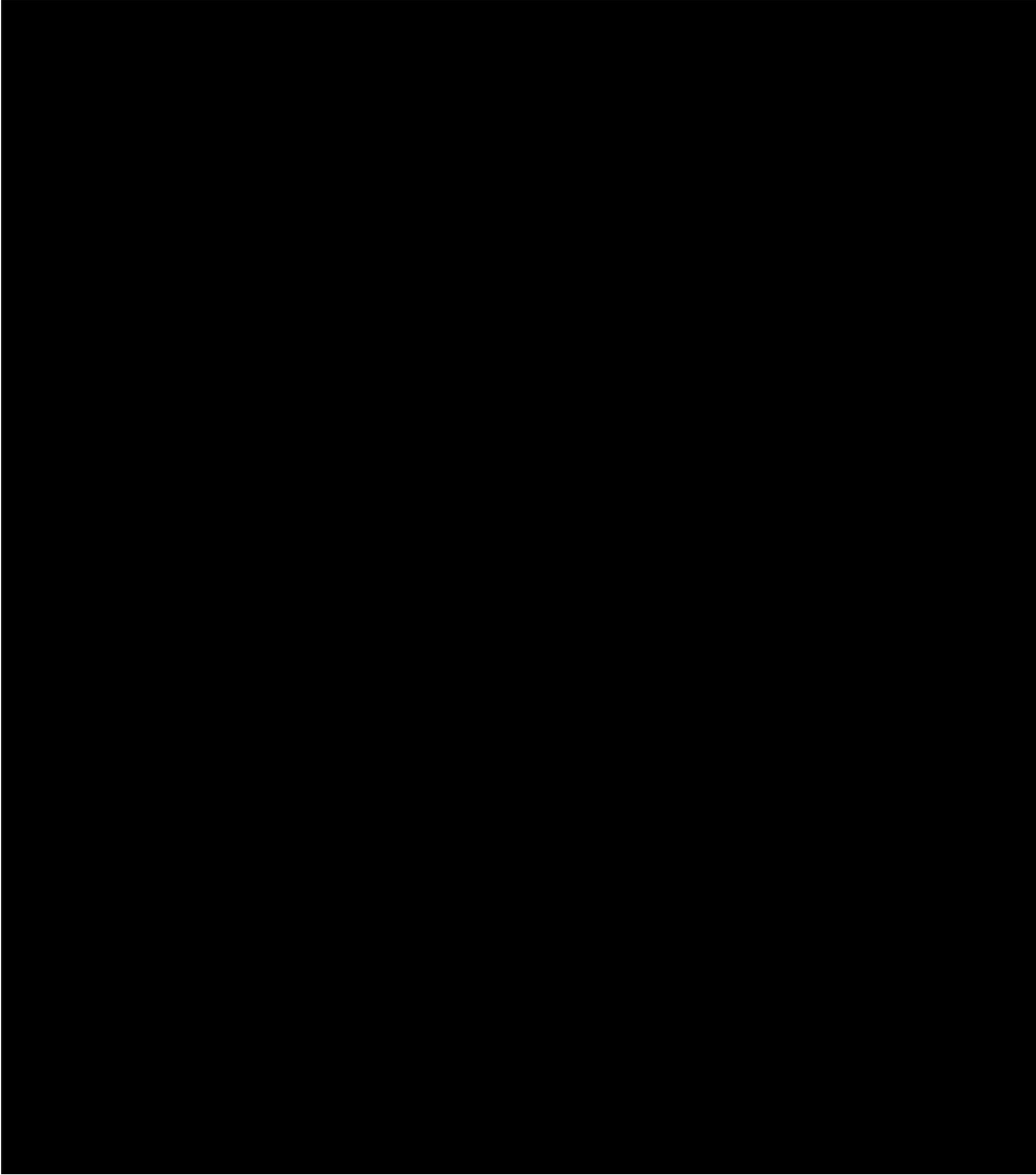


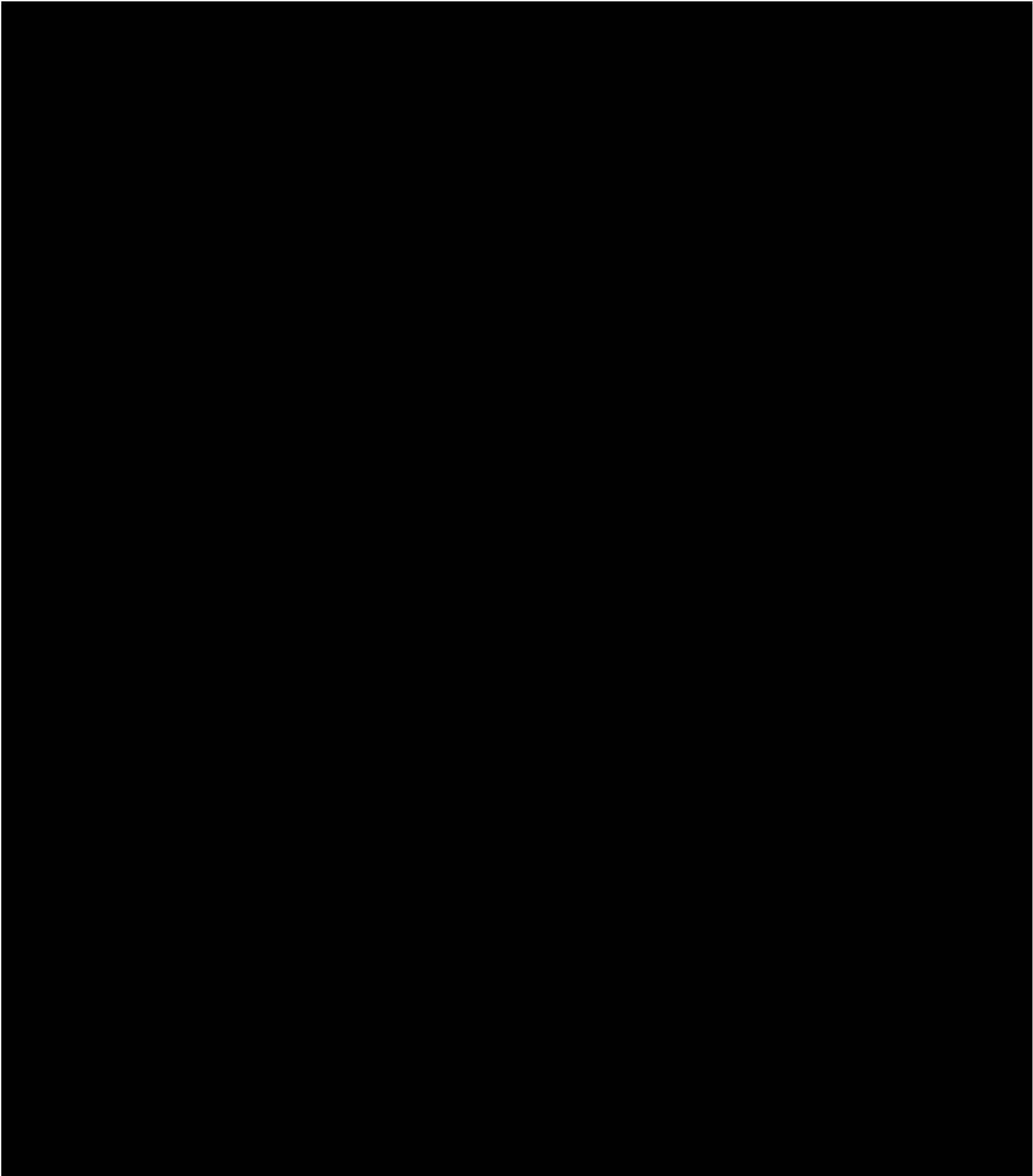
John Malone,
General Counsel

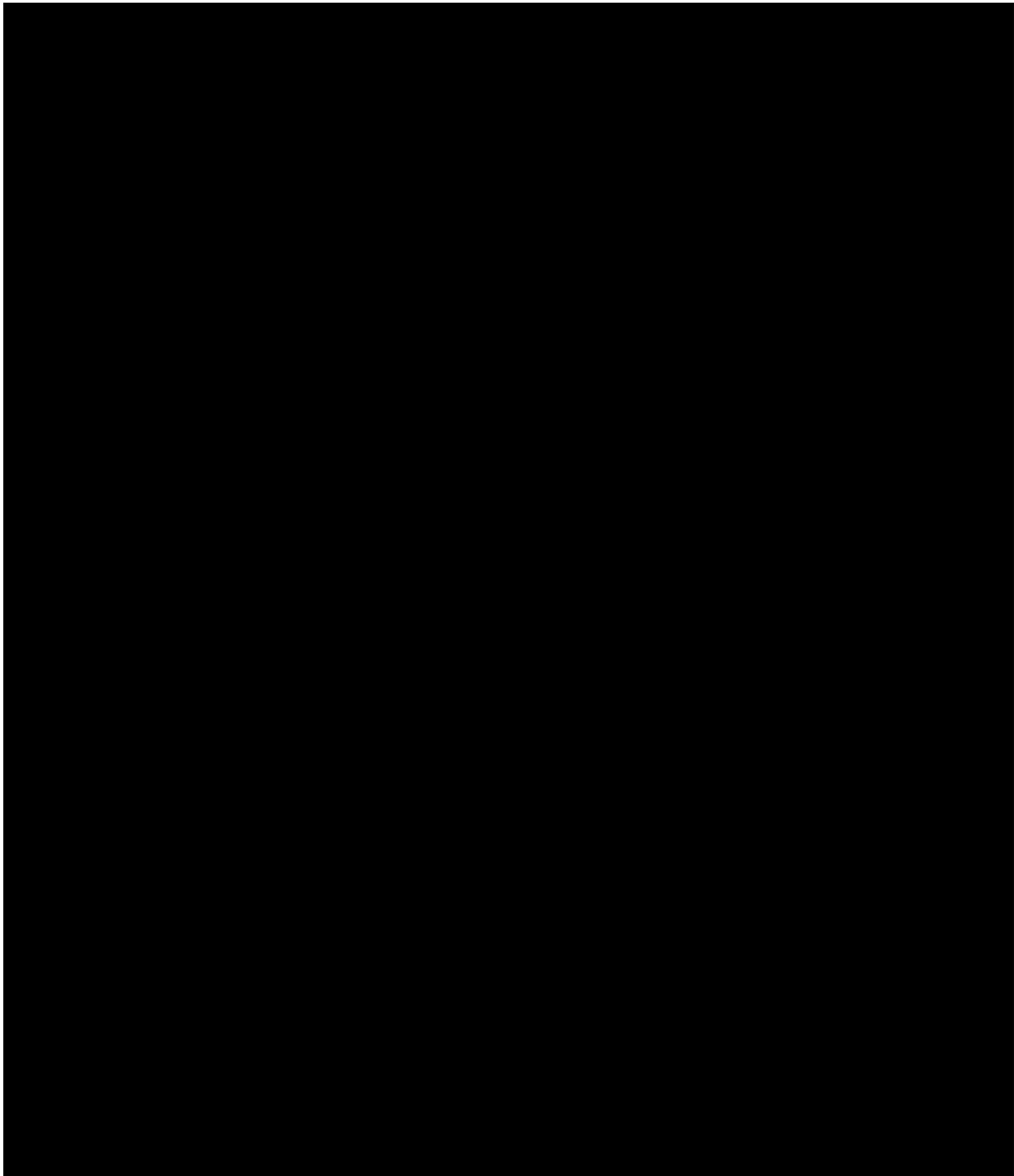
John Malone brings extensive experience in corporate governance and cannabis law. He has counseled both businesses and government agencies on cannabis regulations, and is considered one of the foremost experts in this field. As the lead outside cannabis and corporate counsel at Arent Fox, LLP, John advised several pioneering cannabis startups, helping them with strategic planning in the context of complex regulatory frameworks. John also brings experience from other highly regulated industries, including hospitality, healthcare and technology.

2. VERTICAL INTEGRATION

Shryne is one of the only truly vertically integrated cannabis companies in California. While other cannabis retailers may also claim to be vertically integrated, Shryne is the only California retailer which carries a majority of products which are cultivated and manufactured in-house. This vertical integration is the key to our success for three reasons:







3. RECIPE FOR SUCCESS

Our diverse leaders with years of cannabis, compliance, legal, retail and financial backgrounds, our vertical integration which allows us to provide high quality, safe and competitively priced products, and our robust compliance and SOP systems are our recipe for success. This recipe has led to the following recognitions and accolades:

California Cannabis Awards 2019 Brand of the Year

no. 1

Hottest Cannabis Brand According
to Pioneer Intelligence

\$78M
Annual EBITDA

27
Total Licenses

\$227M
Annual Revenue

A. LIST OF STATE AND LOCAL LICENSES

Shryne Group's subsidiaries hold the following state and local licenses:

Business Name	Date	Location	License Permit Authority	Permit License Number
JBTB Holdings, Inc.	4/10/18	1031 98th Ave. Oakland, CA 94603	BCC	C11-0000586-LIC
JBTB Holdings, Inc.	5/15/19	1031 98th Ave. Oakland, CA 94603	CDPH	CDPH-10003198
BCOK, Inc. dba Stiiizy Mission	5/14/19	3326 Mission St. San Francisco, CA 94110	BCC	C10-0000053-LIC
Ironworks Collective, Inc. dba Stiiizy	12/10/18	718 E Commercial St. Los Angeles, CA 90012	BCC	C10-0000346-LIC
Ironworks Collective, Inc.	5/20/19	718 E Commercial St. Los Angeles, CA 90012	CDPH	CDPH-10003246
Ironworks Collective, Inc.	12/14/18	718 E Commercial St. Los Angeles, CA 90012	BCC	C11-0000620-LIC
Olive Drive Enterprises, LLC dba Stiiizy Davis	12/5/18	965 Olive Dr. Suite G1 Davis, CA 95616	BCC	C10-0000112-LIC
Strategic Green Partners LLC dba Palm Desert	12/19/18	72180 Highway 111 Palm Desert, CA 92260	BCC	C10-0000275-LIC
CV Wellness, LLC dba Stiiizy Modesto	7/17/19	426 McHenry Ave. Modesto, CA 95350	BCC	C10-0000448-LIC
Farm 87 dba Briceland Farms	4/8/19	1550 Old Summerville Creek Rd. Unincorporated, CA 95542	CDFA	PAL18-0000577
Main Street Supply	9/24/19	1528 Webster St. Alameda, CA 94501	BCC	C10-0000623-LIC
Screaming Eagle	12/06/2019	5434 Mission Blvd., Jurupa Valley, CA 92509	BCC	C10-0000661-LIC
Nibble This Inland LLC	2/17/2020	506 Inland Center, San Bernardino, CA 92408	BCC	C12-0000150-LIC
SGI Ducommun LLC	12/19/2019	706 Ducommun St Los Angeles, CA 90012	CDFA	CCL19-0005368
LDE Logistics	7/1/2019	1031 98th Ave. Oakland, CA 94603	BCC	C11-0000601-LIC
LDE Logistics	7/1/2019	1031 98th Ave. Oakland, CA 94603	CDFA	CCL18-0000214

Additionally, Shryne Group has received city approval for two retail stores in San Francisco through partnerships with Social Equity Applicants, a retail store in Benicia, a retail store in Contra Costa County, a retail store in Riverside County, three retail stores in Los Angeles through partnerships with Social Equity Applicants, a cultivation operation in Lompoc and a cultivation in Los Angeles which are pending state approval.

B. ADMINISTRATIVE OR CIVIL JUDGEMENTS

Shryne Group and its subsidiaries have had ZERO administrative or civil judgments against it for violation of labor standards.

C. SUSPENSION OR REVOCATION

Shryne Group and its subsidiaries have had ZERO instances of suspension or revocation of any state or local cannabis licenses.

D. SANCTIONS FOR UNLICENSED ACTIVITIES

Shryne Group and its subsidiaries have had ZERO instances of sanctions for unpermitted cannabis activity.

E. ADDITIONAL QUALIFICATIONS OR LICENSES PROVIDED BY AUTHENTIC 707

The fact that Authentic 707's parent entity operates existing retail stores throughout California will prime Authentic 707 to foresee and satisfy the needs of the different customers in Suisun City. One example is that while smaller operators will need months to build relationships and vet manufacturers and cultivators to be able to source safe and effective products, Authentic 707 will have the benefit of the relationships with 60 different vendors that Shryne already has through its existing stores. Together, with the in-house products, Authentic 707 will be able to offer its customers over 330 SKUs from the moment it opens. Additionally, since Shryne has already constructed and overseen the openings of six other stores, Authentic 707 will be able to expeditiously complete its tenant improvements, installation of security systems and point of sale systems and all other systems required for a cannabis retail store to operate. Shryne's experience operating from compliance, payment of taxes, inventory management, security, etc., will all give Authentic 707 an advantage compared to other Suisun City Applicants with less experience. Finally, Shryne has is not subject to any administrative or civil order and has never had any license suspended or revoked or been the subject of any sanctions for unpermitted cannabis activity.

Section 2.10: Site Control

Please see Exhibit H for the Lease Agreement between Authentic 707's direct parent, Shryne Group, and Hall Equities.

Section 2.11: Neighborhood Compatibility – Good Neighbor Policy

Authentic 707 is mindful of how important it is for a cannabis business to not only be a good community member but also a great neighbor to the residents and businesses in the communities we serve. Additionally, in undertaking a change of use project, we understand the importance of protecting established neighborhoods and their distinctive characteristics. We have structured our overall business model and design concept around meeting the unique needs of the Suisun City community. In creating our Neighborhood Plan, our first step was to meet with city leaders such as the Council Members, the City Manager, and the Senior Planner. We also met with local organizations like the Fairfield-Suisun Chamber of Commerce and Community Action North Bay. All of these meetings have helped us determine the best way to go about reaching out to our neighbors. We hope that you will view Authentic 707 as an appealing addition to Suisun City's Commercial Mixed Use Zone, as we strive to maintain excellent relationships within the community in general and this neighborhood in particular. The following Neighborhood Compatibility Plan further addresses certain factors we believe will contribute to successful and harmonious neighborhood relations.

A. AVOIDING NUISANCE AND OTHER NEGATIVE IMPACTS

Through a diligent community-centric approach to facility design and operations management, Authentic 707 will ensure our store will not become a nuisance to our neighbors nor negatively impact the neighborhood in any way. To the contrary, we intend to become an upstanding, interactive business with a positive impact on the neighborhood. Through our neighborhood outreach described below, we understand that the neighborhood is concerned with crime, traffic, noise, offensive odors, loitering, and homeless. As described below, we will take every measure possible to not only prevent exacerbating issues, but work to mitigate them.

To uphold our standing within our immediate community, Authentic 707 has created a “Good Neighbor Policy”, as can be seen in Exhibit I. Copies of policy statements shall be given to first time customers. Should patrons disobey any of the rules after receiving copies of our policy statement, they will be barred from our stores.

In general, education is an Authentic 707 core value. Our comprehensive public education plan is designed to promote public health and safety and prevent misuse and abuse of cannabis in the community. In addition to the events and programs outlined in our Community Benefits Plan, we will continually work towards positive and proactive neighbor relations by participating in local neighborhood watch groups, city council meetings, police department meetings, fire department meetings, and the City’s department staff meetings to review neighborhood issues associated with operations and address the unique concerns raised by cannabis businesses. Local government leaders, including the city council, and police and fire chiefs, will be invited to tour the facility as our visitors. Authentic 707 will fully cooperate in any and all inspections and investigations conducted by regulators and law enforcement. Further, we will invite local law enforcement to participate in our security training program. We recognize it is only by working together that we can ensure the needs of the community are met as we create innovative shopping experiences for everyone to enjoy. We will ensure neighborhood issues are resolved in the least amount of time and with the least amount of inconvenience to our neighbors and community members. All complaints will have a formal follow-up by letter and ongoing correspondence to the concerned parties as to either the solution to the concern or ways to prevent or mitigate unfavorable outcomes from happening. For more information on interaction and initiatives that we believe will positively impact our neighbors, please see Section 2.12 for our Community Benefits Plan.

B. MANAGING SITE AND SURROUNDING AREAS

We emphasize our comprehensive policy in regard to loitering and consumption of product on or around the premises. On-site security guards monitoring the site during operating hours will ensure that no one “hangs out” on or around the premise or neighboring properties. We will maintain a NO LOITERING within a 20-foot distance policy. In an effort to deter loitering and criminal activity during and after hours of operation, the exterior areas including, but not limited to, the perimeter of the premises and the parking lot, shall be well illuminated while keeping in mind disturbances to our property neighbors. Tree canopies shall not interfere with or block lighting in order to prevent shadows and areas of concealment. Landscaping shall allow for proper illumination and visibility regarding lighting and surveillance cameras through the maturity of trees and shrubs. Authentic 707 will install light motion detectors along the perimeter of the facility and within restricted access areas. These light motion detectors will assist in deterring unauthorized individuals from loitering or entering into areas that are restricted access.

Authentic 707 will promote responsible consumption guidelines to prevent cannabis misuse, distribution to minors, diversion to illegal markets, impaired driving and other community health consequences associated with cannabis use. Employees will receive substance abuse prevention training prior to employment, including providing treatment resource materials to consumers and caregivers when appropriate. First time consumers will receive additional safety information that includes clear instructions for when, where and how to administer each form of cannabis in the safest way possible. Consumers will be advised to store cannabis in a locking bag, box or cabinet, within its original packaging and out of reach of pets and children. Consumption of cannabis or cannabis products on or around the premise or neighboring properties is strictly prohibited, which will also assist in the mitigation of crowds forming or staying for an extended period of time. Additionally, no smoking of any kind will be allowed in the vicinity of the facility. The sale, smoking or consumption of tobacco products and alcoholic beverages is also prohibited. The staff shall prohibit any person in possession of an alcoholic beverage from entering or remaining on the premises. Staff members will be trained to identify intoxicated or impaired visitors. If a guest is determined to be intoxicated, security personnel will be notified and will make appropriate arrangements to remove the intoxicated guest from the facility – ensuring a safe mode of transportation and appropriate medical or law enforcement attention, as necessary. Among other things, our educational materials will warn against the dangers of driving while under the influence of cannabis.



NEIGHBORHOOD OUTREACH

Authentic 707 ensure that its presence does not negatively affect the surrounding businesses by adhering to our Good Neighbor Policy attached as Exhibit I and our other methods to minimize being a nuisance as described in the previous page. We currently have 14 different cannabis operations throughout California and maintain great relationships with our neighbors at all 14 facilities. Many of our neighbors have expressed their appreciation for how we have cleaned up the surrounding area, increased security around the area and conducted our business in a quiet and considerate fashion.

While our team canvassed the area north of this proposed location on Railroad Avenue in February and met with all of the business owners within a 600 foot radius of 521 Railroad Avenue, due to the Covid-19 pandemic, we have not had the opportunity to do the same outreach which was conducted in February at this particular location. However, once businesses open up after the pandemic subsides, **with the help of our landlord Hall Equities**, we will again canvass the 600 foot area around this proposed location to listen to any concerns or issues our neighbors may have.

Section 2.12: Community Benefits

A. SUISUN CITY PARTNERSHIPS

In Suisun City, we will continue our community outreach and contributions in the following ways.



Community Action North Bay²⁷

Community Action North Bay (CANB) of Suisun City/Fairfield was brought to our attention with the help of Councilmember Adams. Authentic 707 has contributed \$2,000.00 to CANB and we have pledged to contribute \$15,000 annually if we have the privilege of opening a store in Suisun City. Brian Mitchell and the Shryne Group are passionate about homelessness and we hope to provide monetary contributions, services and other types of contributions as we have done in other cities such as Los Angeles and Sacramento. We intend to provide more than just monetary

contributions, CANB will be one of our authorized volunteer locations for our employees for paid volunteer hours. Attached as Exhibit J is a letter of support from CANB.



Food Bank of Contra Costa and Solano

We have had discussions with Mr. Joel Sjostrom, the President and CEO, of the Food Bank of Contra Costa and Solano. The Food Bank stores and distributes donated and purchased perishable and nonperishable food items. They serve low-income community areas and make food available for other nonprofit organizations serving the ill, needy, and children. Authentic 707 has donated

²⁷ <http://canbinc.org/>

\$3,500 to the Food Bank and we have pledged to contribute \$15,000 annually should we be selected as Suisun City's cannabis retail operator. Attached as Exhibit L is a letter of support from the Food Bank.

Solano Community College



We have had beginning discussions with Solano Community College's Dean of Applied Technology and Business, Dr. Lisa Neeley, in order to set up a similar partnership that we have with Los Angeles Trade Tech College. This partnership is for workforce development of our employees. Shryne and LA Trade Tech have an agreement for them to teach classes at all of Shryne's retail, manufacturing, distribution, and cultivation facilities. The classes will be held every two weeks and will be free of charge to the student employees. The program launched at our downtown Los Angeles store in January 2020 and classes slated to be taught in 2020 include:

- Introduction to Business
- Microsoft Excel
- Creating PowerPoint
- Presentations
- Public Speaking
- Basics of Accounting
- Supply Chain Logistics
- Leadership
- Creating a Business Pitch Deck.



Manufacturing employees taking a course on Excel.

Classes will be 1-2 hours long and, upon completion, the employees will receive a certificate of completion from Los Angeles Trade Tech College. These graduates will be recommended for a promotion, a raise, or a position with our corporate headquarters. The workforce development course has been very popular at our Los Angeles store so far and we hope the Suisun City store employees can find similar benefits from these classes and opportunity for personal and professional growth.



Kickoff Meeting for Los Angeles Scholarship Program

Additionally, Authentic 707 will grant up to three scholarships for employees or citizens of Suisun City to attend Solano Community College. The scholarships will pay for at least two years of coursework and will also involve mentoring from certain executives of Shryne Group. For those interested in the cannabis business, the mentoring program will involve paid participation in Shryne's own retail, manufacturing, distribution, and cultivation training programs and an opportunity to become an employee at those operations. This scholarship and mentor program kicked off in December 2019 and three Los Angeles residents are currently taking courses towards a Retail Management Certificate of Achievement.

Local Vendors

To ensure that our presence contributes to the local economy, in addition to hiring locally, we also make every attempt to hire and purchase from local vendors and service providers. So far we have committed to engage local business Coastal Construction to be our general contractor for the buildout and construction of our store. Coastal Construction has also committed to hiring a majority of its subcontractors from within Suisun City. A copy of the LOI is attached as Exhibit M. If we are awarded the retail license, Authentic 707 will also hire local janitorial services, IT solutions, and other local businesses as we have done at all our other locations.

B. HISTORY OF COMMUNITY PARTNERSHIPS

The Shryne Group and our founders have a long history of giving back to the communities in which we operate.

Homelessness

Our CEO and co-founder Brian Mitchell has utilized his own business successes to benefit the homeless throughout California. In 2018 - 2019, Brian opened a 20,000 square foot temporary homeless shelter on Railroad Drive in Sacramento which provided over 200 people a day with food and shelter.²⁸ With the help of volunteer organizations such as Volunteer for America, Brian's shelter acted as an essential resource to the homeless population in Sacramento as it built out its own permanent shelter.

The Shryne Group also partners with PATH (People Assisting the Homeless) an organization which provides long term and short-term emergency housing assistance to homeless individuals. In December 2019 alone, the Shryne Group and its employees contributed \$2,500 to PATH and contributed 455 pounds of food to families in need across the state of California.

During the 2019 holiday season, Shryne Group also sponsored industry event, Skidrow Christmas with a \$5,000 donation. All sponsorship donations went directly to the creation of "survival kits" that included sleeping bags, lanterns, blankets, tarps, and more for those living in Los Angeles's, Skid Row neighborhood.



Shryne's LA employees stock food for the food drive.

28 <https://www.sacbee.com/news/local/news-columns-blogs/city-beat/article205530999.html>

Veterans' Causes

As an army veteran with the 101st Airborne Division, co-founder James Kim is passionate about veterans' issues. In addition to providing veterans 10% discount at all our stores daily, we regularly sponsor veterans' appreciation campaigns throughout the year. For example, to pay our respects to commemorate Veterans Day, Shryne released a special edition camouflage battery on Veterans Day 2019. 20% of proceeds from the purchase of every camo battery went to support veterans in filing disability benefits claims to the Department of Veterans Affairs through Battle Brothers Foundation²⁹. During the month of November 2019, veterans also received a limited-edition hat (branded specifically for Veterans' Day) as a free gift with purchase of any product at our stores.

In 2019 alone, the Shryne Group also contributed time or money to the following organizations:

- Boys and Girls Club
- Battle For the Bay (Oakland bay cleanup)
- Stupid Cancer
- United Playaz (a San Francisco-based violence prevention and youth development organization)
- Food Share
- Second Harvest Food Bank
- Community Action North Bay
- Mission Language and Vocational School
- Fresno Economic Development Corp.
- Family Services Association
- Mission Economic Development Agency
- Santa's Village Fresno

Local Hire

Authentic 707 will hire at least 85% of its employees from within Suisun City. As we have in the City of San Francisco, Davis, Modesto, Alameda, Palm Desert, and Los Angeles, Authentic 707 will hold a job fair four weeks prior to opening which will be advertised on indeed.com and other job search websites. In addition to the job fair, Authentic 707 will also hold an open house three weeks prior to opening to give city officials, residents and business owners a chance to tour the facility and address any concerns they may have about our presence. If these two events do not result in at least 85% Suisun City, we will then coordinate with Suisun City's Economic Development program and local organizations to attract more local residents to apply for a position with Authentic 707.

To date, our local job fair and open houses have resulted in our stores employing 80% - 90% residents of the city in which we operate. Not only does such local hiring benefit the local community, it also benefits our stores as residents tend to shop more frequently at establishments where they recognize the employees. We believe it is a win-win for everyone.



Job Fair prior to Modesto opening.

²⁹ <https://battlebrothersfoundation.org/>

Drug Abuse Awareness Education

As noted previously, one of the eight days of employee training is dedicated to educating the customer against abuse of cannabis, the science of cannabis and safe dosing. Science suggests that the frequency and amount of cannabis consumed has a strong correlation with the potential of abuse and our employees are trained to educate our customers on safe dosing and against overconsumption.

Additionally, as we have done in all our other retail stores, Authentic 707 will host monthly cannabis education seminars on safety and cannabis. An interactive presentation by a Shryne employee or other cannabis expert is followed by a Q&A session. Past presentations include optimal and safe dosing amounts, the dangers of driving under the influence and consumption methods and effects of different consumption methods.

Shryne has also engaged former Ultimate Fighting Championship veteran Tyson Griffin to participate in our cannabis education seminars at all of our retail locations³⁰. Tyson is an advocate of the safe consumption of cannabis and of CBD and stretching exercises to reduce joint pain, anxiety, and depression. Once Authentic 707 is open, Tyson will hold regular educational seminars at the store to educate citizens on safe cannabis usage and cannabis and holistic well-being.

30 <https://www.tysongriffin.com/>

Section 2.13: Criminal History Check



STATE OF CALIFORNIA
SCIA 0016
(Rev. 05/2014)

DEPARTMENT OF JUSTICE
PAGE 1 of 2

REQUEST FOR LIVE SCAN SERVICE

Print Form
Reset Form

Applicant Submission

CA0480500
ORI (Code assigned by DOJ) Authorized Applicant Type

CANNABIS BUSINESS APPLICATION
Type of License/Certification/Permit OR Working Title (Maximum 30 characters - If assigned by DOJ, use exact title assigned)

Contributing Agency Information:

SUISUN CITY POLICE DEPARTMENT 00482
Agency Authorized to Receive Criminal Record Information Mail Code (five-digit code assigned by DOJ)

701 CIVIC CENTER BLVD AMBER KENT
Street Address or P.O. Box Contact Name (mandatory for all school submissions)

SUISUN CITY CA 94585 707-421-73
City State ZIP Code Contact Telephone Number

Applicant Information:

Last Name Mitchell First Name Brian Middle Initial _____ Suffix _____

Other Name _____ Title _____ Suffix _____

Date of Birth _____ Sex Male Female Driver's License Number _____

Height 5'10 Weight 180 Eye Color BRN Hair Color BRN Billing Number _____

Place of Birth (State or Country) CA Misc. Number _____

Home Address _____ City _____ State _____ ZIP Code _____

Your Number: _____ Level of Service: DOJ FBI

(OGA Number (Agency Identifying Number)) (If the Level of Service indicates FBI, the fingerprints will be used to check the criminal history record information of the FBI)

If re-submission, list original ATI number: _____ Original ATI Number _____

(Must provide proof of rejection)

Employer (Additional response for agencies specified by statute):

Employer Name _____ Mail Code (five digit code assigned by DOJ) _____

Street Address or P.O. Box _____

City _____ State _____ ZIP Code _____ Telephone Number (optional) _____

Live Scan Transaction Completed By:

Michael February 4, 2020
Name of Operator Date

City & Kings Real Estate MB7 F035MIB378
Transmitting Agency LSID ATI Number Amount Collected/Billed

ORIGINAL - Live Scan Operator SECOND COPY - Applicant THIRD COPY (if needed) - Requesting Agency



REQUEST FOR LIVE SCAN SERVICE

Applicant Submission

CA0480500

ORI (Code assigned by DOJ)

License/Permit
Authorized Applicant Type

CANNABIS BUSINESS APPLICATION

Type of License/Certification/Permit OR Working Title (Maximum 30 characters - if assigned by DOJ, use exact title assigned)

Contributing Agency Information:

SUISUN CITY POLICE DEPARTMENT
Agency Authorized to Receive Criminal Record Information

00482
Mail Code (five digit code assigned by DOJ)

701 CIVIC CENTER BLVD
Street Address or P.O. Box

AMBER KENT
Contact Name (mandatory for all school submissions)

SUISUN CITY CA 94585
City State ZIP Code

707-421-73
Contact Telephone Number

Applicant Information:

Kim
Last Name

James
First Name Middle Initial Suffix

Other Name

First Suffix

Date of Birth Sex Male Female

Driver's License Number

6'00 175 BRN BLK
Height Weight Eye Color Hair Color

Billing
Number (Agency Billing Number)

US
Place of Birth (State or Country) Social Security Number

Misc.
Number

Home Address Street Address or P.O. Box City State ZIP Code

Your Number: OCA Number (Agency Identifying Number)

Level of Service: DOJ FBI
(If the Level of Service indicates FBI, the fingerprints will be used to check the criminal history record information of the FBI)

If re-submission, list original ATI number:
(Must provide proof of rejection)

Original ATI Number

Employer (Additional response for agencies specified by statute):

Employer Name

Mail Code (five digit code assigned by DOJ)

Street Address or P.O. Box

City State ZIP Code

Telephone Number (optional)

Live Scan Transaction Completed By:

Michael
Name of Operator

2/18/2020
Date

City of Angels *M07*
Transmitting Agency LSID

F049KIT398
ATI Number Amount Collected/Billed

ORIGINAL - Live Scan Operator

SECOND COPY - Applicant

THIRD COPY (if needed) - Requesting Agency



STATE OF CALIFORNIA
 RICA 8018
 (Rev. 05/2018)

DEPARTMENT OF JUSTICE
 PAGE 1 of 2

REQUEST FOR LIVE SCAN SERVICE

[Print Form](#)

[Reset Form](#)

Applicant Submission

CA0480500 _____
 ORI (Code assigned by DOJ) Authorized Applicant Type

CANNABIS BUSINESS APPLICATION
 Type of License/Certification/Permit OR Working Title (Maximum 30 characters - If assigned by DOJ, use exact title assigned)

Contributing Agency Information:
 SUISUN CITY POLICE DEPARTMENT _____
 Agency Authorized to Receive Criminal Record Information
 701 CIVIC CENTER BLVD _____
 Street Address or P.O. Box
 SUISUN CITY CA 94585 _____
 City State ZIP Code
 00482 _____
 Mail Code (five-digit code assigned by DOJ)
 AMBER KENT _____
 Contact Name (mandatory for all school submissions)
 707-421-73 _____
 Contact Telephone Number

Applicant Information:
 Hopkins _____
 Last Name Andrew D. _____
 First Name Middle Initial Suffix
 Other Name _____
 (AKA or Alias) Last First Suffix
 Date of Birth _____ Sex Male Female _____
 Driver's License Number
 5'10" _____ 200 _____ Hazel _____ Brown _____
 Height Weight Eye Color Hair Color
 Billing _____
 Number (Agency Billing Number)
 Arizona _____
 Place of Birth (State or Country) Social Security Number
 Misc. _____
 Number
 Home _____
 Address Street Address or P.O. Box City State ZIP Code

Your Number: _____ OCA Number (Agency Identifying Number)
 Level of Service: DOJ FBI
 (If the Level of Service indicates FBI, the fingerprints will be used to check the criminal history record information of the FBI)

If re-submission, list original ATI number:
 (Must provide proof of rejection) Original ATI Number _____

Employer (Additional response for agencies specified by statute):
 Employer Name _____ Mail Code (five digit code assigned by DOJ)
 Street Address or P.O. Box _____
 City State ZIP Code Telephone Number (optional)

Live Scan Transaction Completed By:
 Name of Operator _____ Date 2/11/2020
 City of Angels Real _____
 Transmitting Agency Estate LSID MB7
 ATI Number F047 HOA381 Amount Collected/Billed

ORIGINAL - Live Scan Operator SECOND COPY - Applicant THIRD COPY (if needed) - Requesting Agency

Section 2.14: Labor and Employment

A. PAYROLL PRACTICES



Authentic 707 will utilize payroll consultants and payroll provider Payroll Centric³¹ to advise on and institute our payroll system as it has done at all of our operations. Payroll Centric is the premier cannabis payroll company in California and they help to ensure that all proper taxes are paid and filed, keep track of paid time off and sick days accrued, ensure tips are properly allocated amongst the employees, and ensure workers are paid timely and in the right amounts. Payroll Centric also gives our employees the option of being paid by direct deposit or through checks and allows our employees to keep track of the number of hours worked, accrued benefits and requests for time off all in a comprehensive platform accessible by our employees and HR department. Our Head of Human Resources, Frank Sanchez, works closely with Payroll Centric prior to the opening of every new operation to ensure that the Payroll Centric software and program can be tailored to the jurisdiction in which we are opening.

B. CONTINUING EDUCATION AND TRAINING

As previously mentioned, our retail employees go through an extensive 8-day training program which covers such things as compliance, SOPs, loss prevention, cash management, preventing drug abuse, inventory management, customer service and Occupational Safety and Health Administration (OSHA) training. See below an internal checklist of the required training that all our employees are required to undergo.

³¹ <https://www.payrollcentric.com/>



NEW EMPLOYEE CHECKLIST

EMPLOYEE INFORMATION

Name:		Start Date:	
Position Title:		Manager:	
Location:		<input type="checkbox"/> Exempt <input type="checkbox"/> Non-Exempt	

HUMAN RESOURCES

<input type="checkbox"/> Phone Call Extending Offer	<input type="checkbox"/> DocuSign Offer Letter Extending Employment (Emailed)
<input type="checkbox"/> Returned Receipt of Signed DocuSign Offer Letter	<input type="checkbox"/> Welcome Email <i>(Start Date, Title, Reporting to, Dress Code, Point of Contact, Logistics, Directions to Dispensary, Parking Instructions, Shirt Size for Welcome Kit, and NDA)</i>
<input type="checkbox"/> Accounting Onboarding Request Form <i>(Name, Start Date, Salary, Employment Type, Location)</i>	<input type="checkbox"/> Welcome Kit <i>(Prepare and Provide for First Day of Employment)</i>
<input type="checkbox"/> Onboarding Touch Base <i>(End of Week)</i>	

FIRST DAY

<input type="checkbox"/> Complete Onboarding Package	<input type="checkbox"/> Tour of Facility & Introductions
<input type="checkbox"/> Employee Welcome Lunch	<input type="checkbox"/> Assign "Buddy" Employee(s) to Answer General Questions

NEW HIRE FORMS

<input type="checkbox"/> Employment Application	<input type="checkbox"/> Background Check Release Form, Signed by Employee
<input type="checkbox"/> Employee Resume	<input type="checkbox"/> Employee Data Sheet (Emergency Contact Information)
<input type="checkbox"/> Offer Of Employment	<input type="checkbox"/> Current Proof of Auto Insurance (Employees Driving on Job)
<input type="checkbox"/> Form I-9 Completed, Proof of Citizenship, Original Documentation <i>(SSN Card, Passport, Driver's License)</i>	<input type="checkbox"/> Tax Forms (W-4 or W-9) Employee's Withholding Allowance Certificate (Federal)

POLICIES (NEW HIRE ORIENTATION)

<input type="checkbox"/> Anti-Harassment	<input type="checkbox"/> Personal Conduct Standards
<input type="checkbox"/> Vacation and Sick Leave	<input type="checkbox"/> Progressive Disciplinary Actions
<input type="checkbox"/> FMLA/Leaves of Absence	<input type="checkbox"/> Security
<input type="checkbox"/> Holidays	<input type="checkbox"/> Confidentiality
<input type="checkbox"/> Time and Leave Reporting	<input type="checkbox"/> Safety
<input type="checkbox"/> Overtime	<input type="checkbox"/> Emergency Procedures
<input type="checkbox"/> Performance Reviews	<input type="checkbox"/> Visitors
<input type="checkbox"/> Dress Code	<input type="checkbox"/> Email and Internet Use

All employees at Authentic 707 will be invited to participate in the Workforce Development Program with Los Angeles Trade Tech College or Solano Community College. Prior to the start of the program, employees will have an opportunity to suggest classes that they are most interested in so that the program can be tailored to the employees of Authentic 707. Employees will be paid their hourly wages during the classes and employees who attend the courses will be provided with a certificate of completion, making them eligible for a raise and a promotion.

While the Workforce Development Program is relatively new, Shryne has a history of providing training and mentoring to its employees and promoting employees from within the company. For example, Michael Geraci is currently the General Manager of our San Francisco retail store, but Michael began as a retail associate in early 2019. Ashley Vasquez, from our Modesto location, and Cindy Areaga, from our Los Angeles store, also began as entry level retail associates and through a series of promotions recently became General Managers of their respective stores. All three of these General Managers were regular attendees of the bi-monthly retail management training sessions conducted out of our Los Angeles and Walnut Creek offices and were ultimately rewarded for their commitment to learn our retail operations.

Finally, Shryne is in discussions with Solano Community College to sponsor two to three local residents of Suisun City to sponsor scholarships towards a retail management certificate and for Shryne to provide mentoring opportunities for these students.

C. WAGES

Shryne's Davis and Modesto retail employees are unionized with the UFCW and Authentic 707's employees may elect to also be unionized if they choose to recognize UFCW as their union. Based on Shryne's Davis and Modesto's unionized stores and based on Authentic 707's proposed store size, Authentic 707 proposes to hire the following positions for the first year of operations.

- 1 General Manager - \$65,000 - \$75,000 per year
- 2 Co-Managers - \$50,000 - \$60,000 per year
- 20 Retail and Operations Associates - \$18.00 - \$20.00 per hour

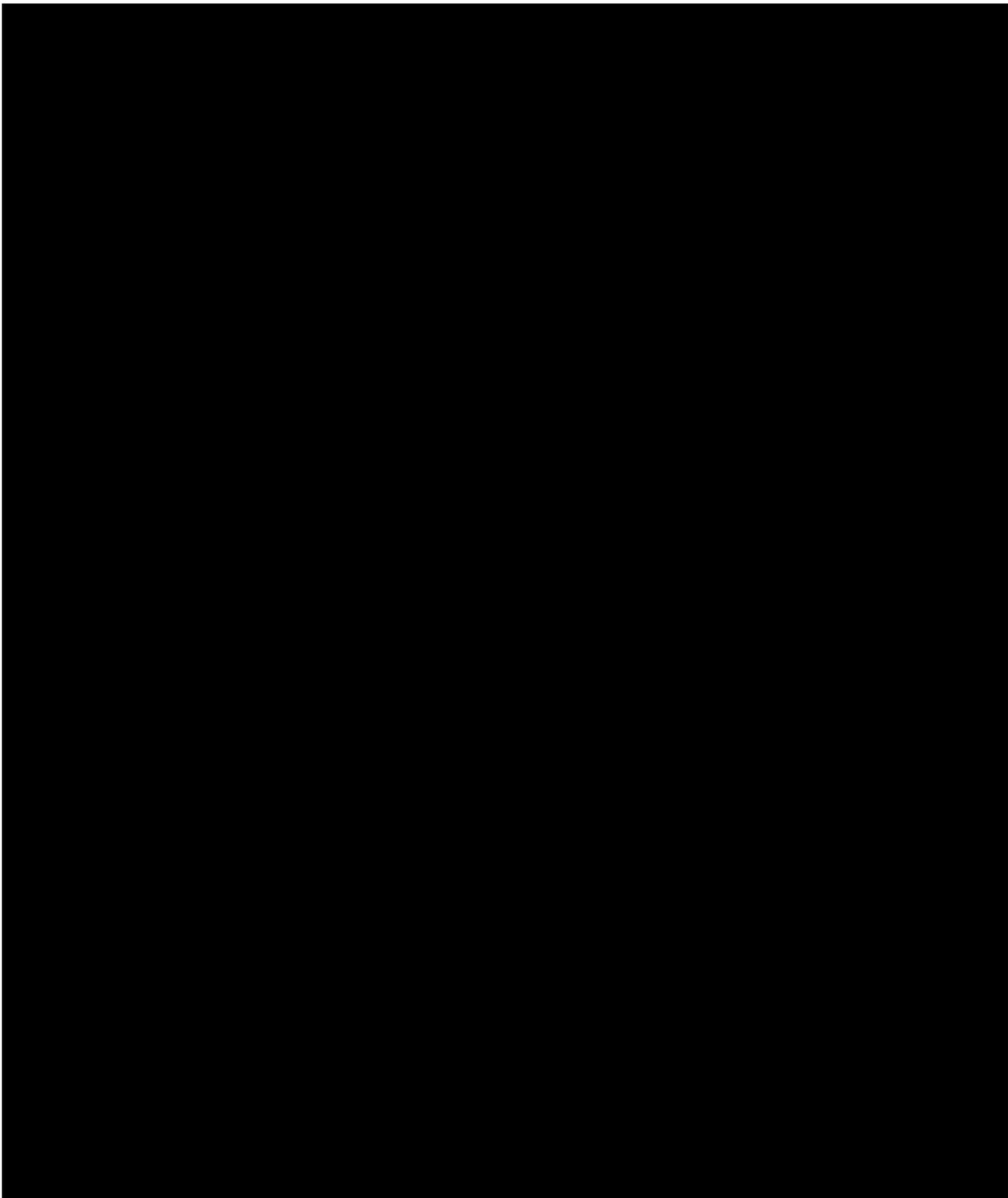
We forecast our revenue increasing 34% from Year 1 to Year 2, and 5%³² from Years 2 through 5 and additional retail, operations and check in staff will be hired in proportion to our revenue growth.

All employees will also receive subsidized health and dental insurance, sick leave and paid time off and be eligible for raises of \$.50 an hour every six months.

D. LOCAL MANAGEMENT

The founder, owner and CEO of Authentic 707, Brian Mitchell, has lived in Fairfield since 1989 and his father, Dr. Albert Mitchell, is a practicing neurologist in Fairfield. Brian will oversee every aspect of Authentic 707 from the initial build out, hiring of local vendors, searching for local employees, the products which will be offered at Authentic 707, educating the public on safe cannabis usage and the continuing neighborhood outreach Authentic 707 will conduct. Brian is currently in talks with a few Suisun City residents regarding the general manager position for Authentic 707 and vows to keep Authentic 707 a locally owned and operated store.

³² The drop of percentage increase is due to the fact of potential local competition from Suisun City, Fairfield, and Vacaville being up and running by then.



Section 2.15: Proposed Location

Address: 141 Sunset Avenue, Suite G, Suisun City, CA 94585

APN: 0173-390-140

Zoning: Commercial Mixed Use (CMU)

The proposed location is inside the Sunset Shopping Center on the corner of Sunset Avenue and HWY 12. Other businesses inside the Sunset Shopping Center include Rite Aid, The UPS Store, Mongolian BBQ Golden Grill, Subway and T-Mobile. The full list of businesses within 600 feet is shown below.



The shopping center is approximately 8.5 acres and the stores share 486 parking spaces. Due to its visibility and proximity to the 12 HWY, its proximity to high traffic stores such as McDonald's, Subway and Rite Aid and the ample parking available in the large lot, we expect this location to see a very high volume of customers.

Sensitive Uses

The proposed location is in full compliance with SCMC Section 18.49.060(E) as there are no sensitive uses located within 600 feet when measuring the shortest horizontal distance in a straight line from any property line of the sensitive use to our closest property line. Sensitive Uses includes Schools, Day Care Centers and Youth Centers.

Exhibit A – Site Plan

Please see the following page.

Please see the following pages.

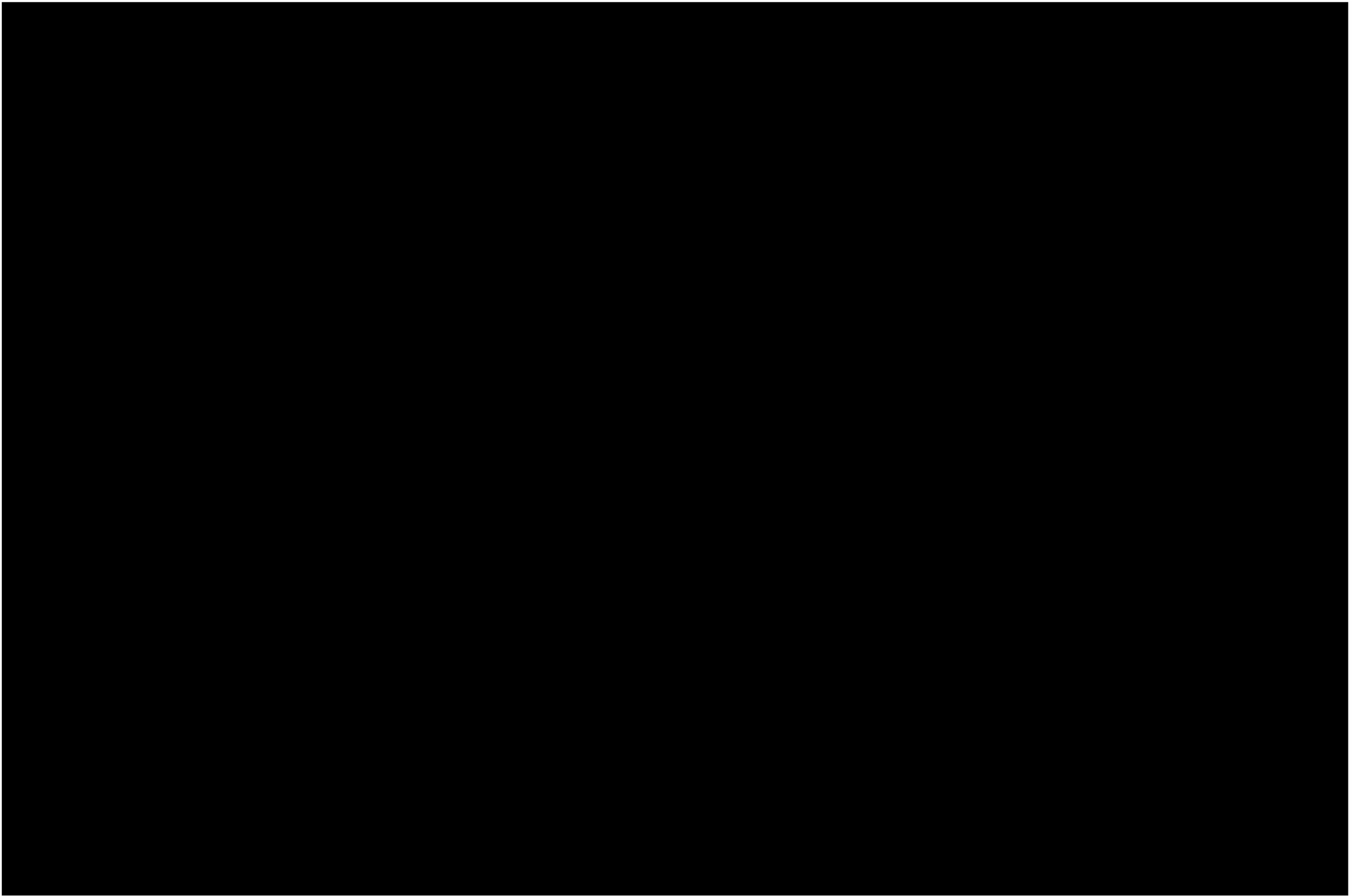
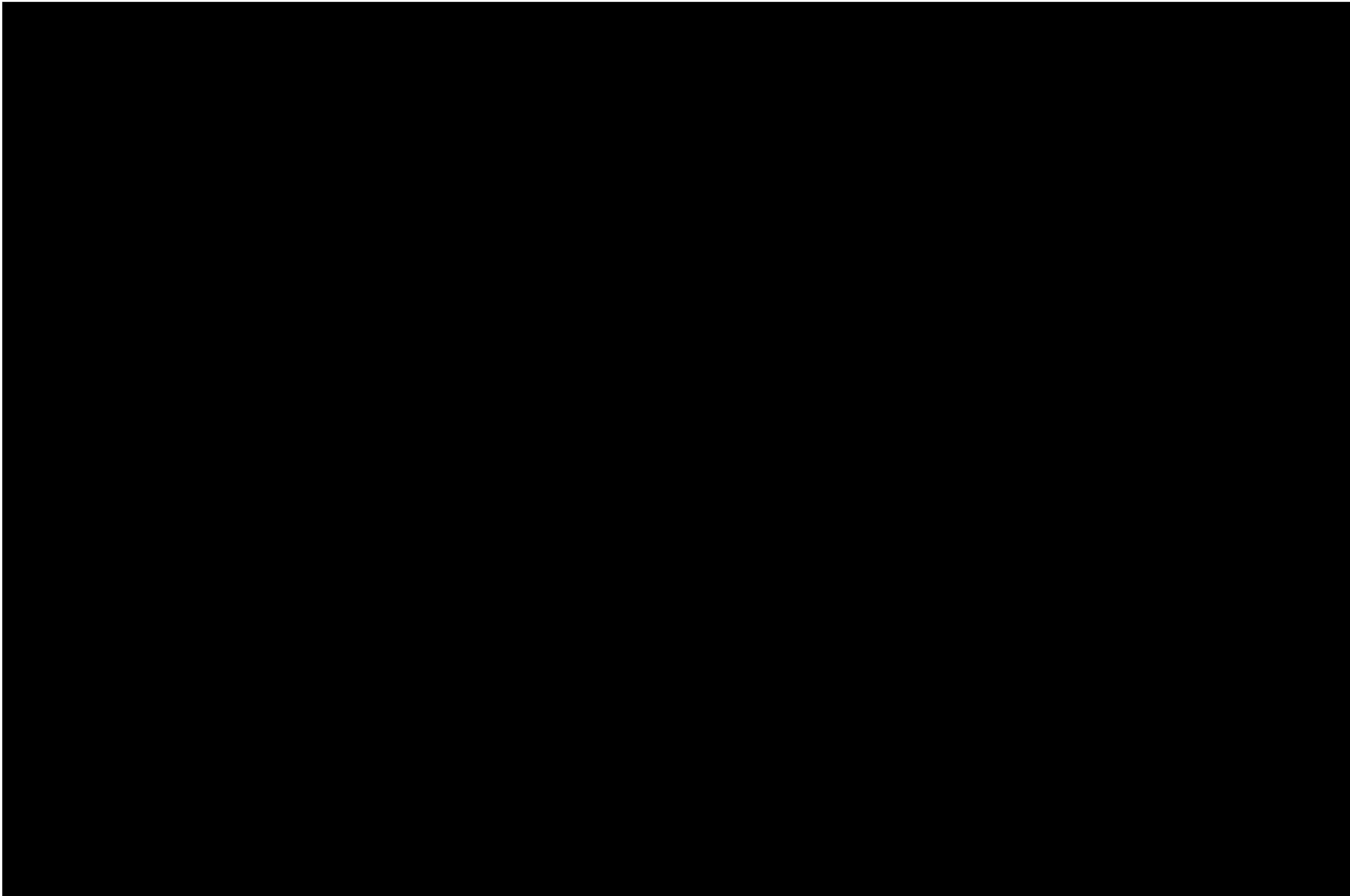


Exhibit B

Floor Plan and Elevations

Please see the following pages.



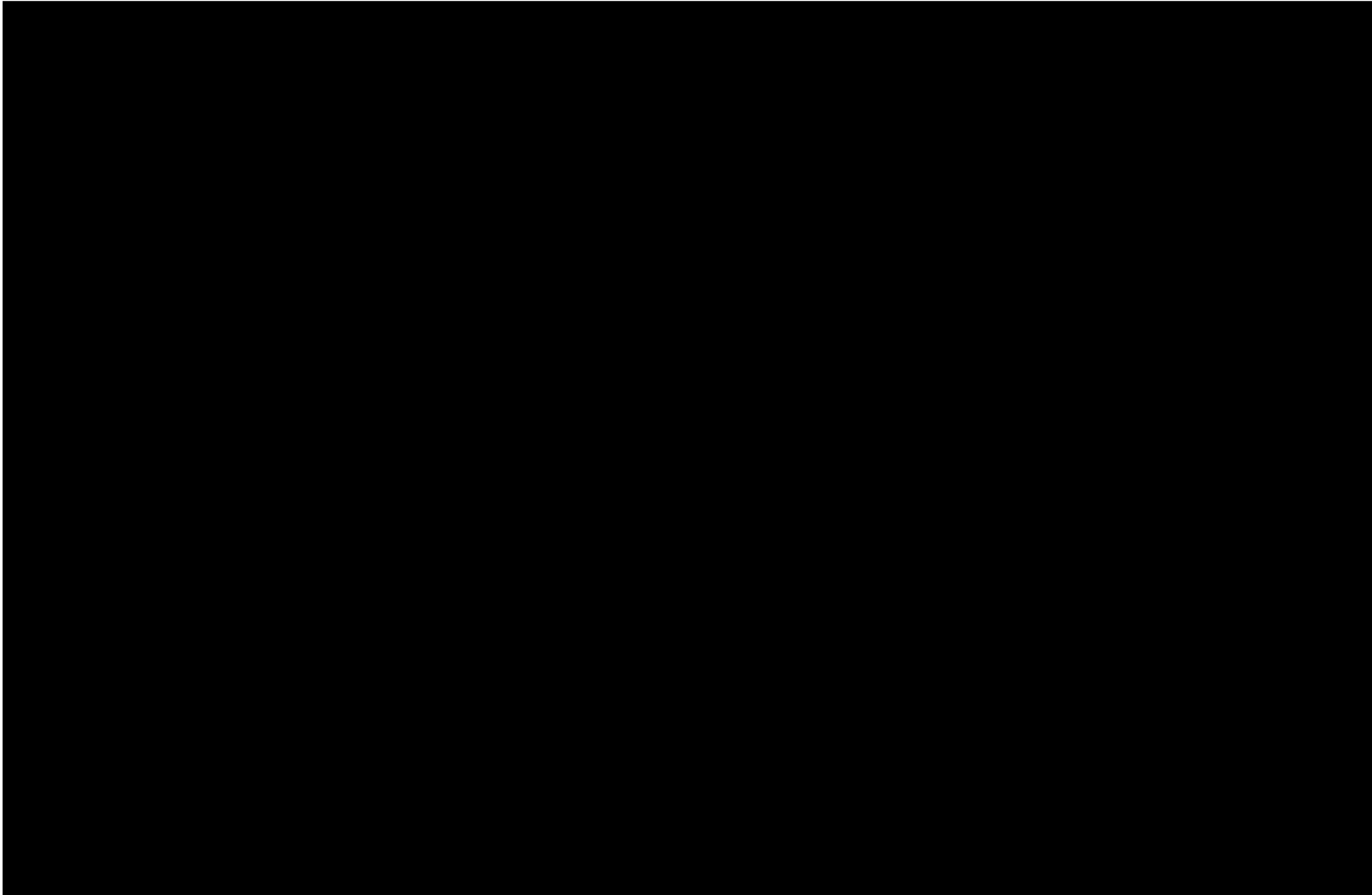


Exhibit C

Pod Design



Exhibit D - CONFIDENTIAL

Security Site Plans - Confidential

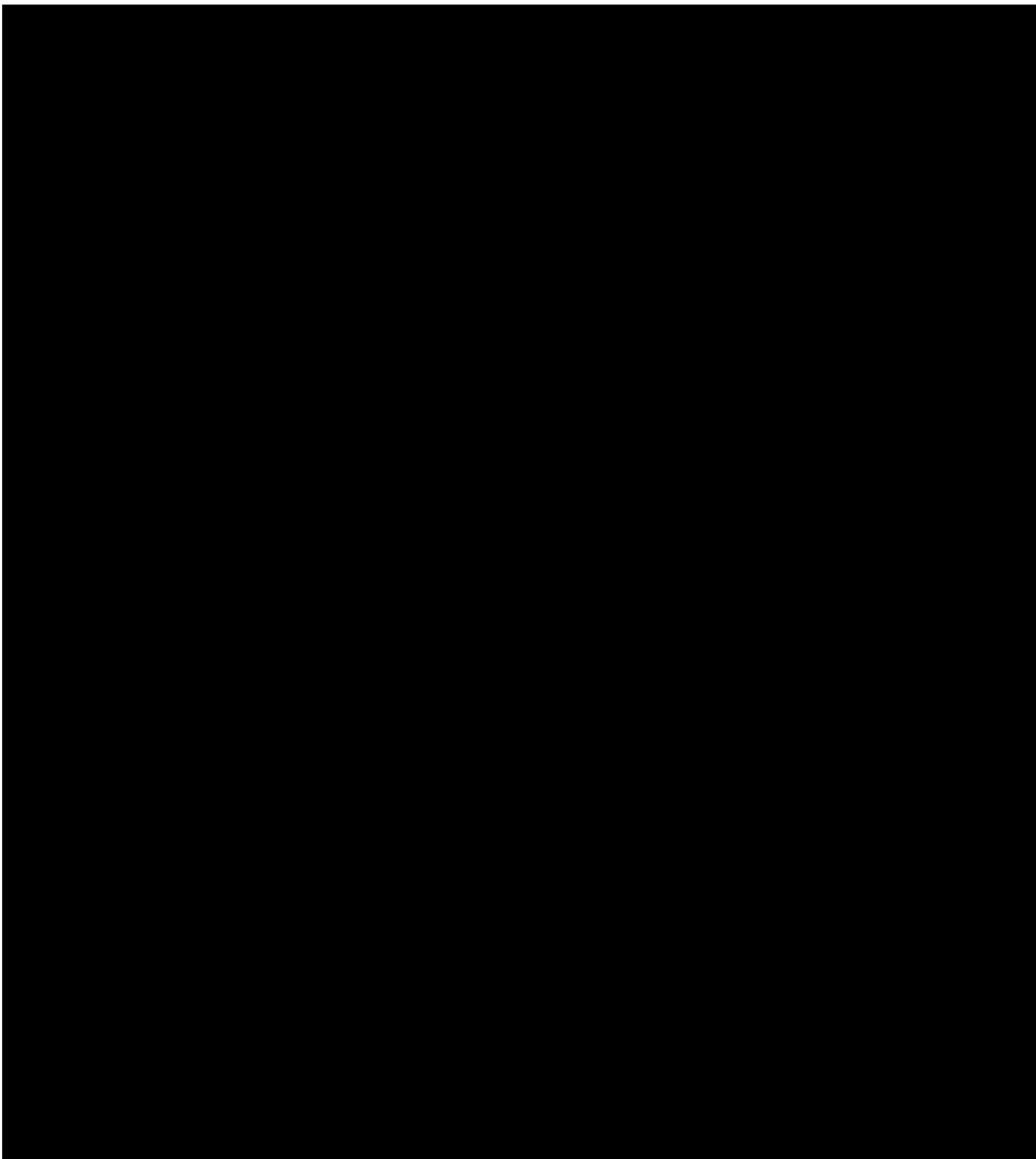


Exhibit E

Fire Safety Maps

Please see the following pages.

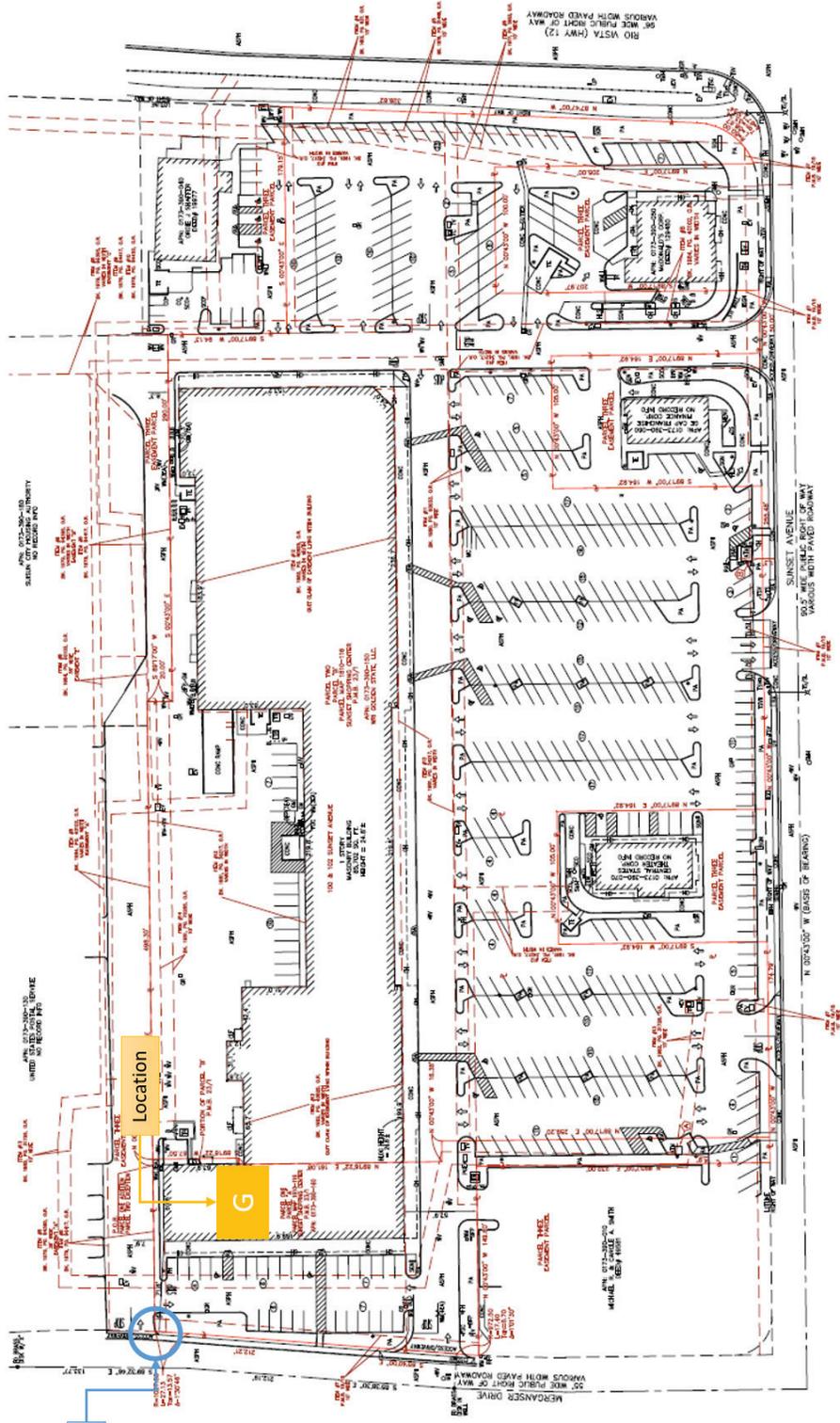


Exhibit E

Fire Safety Maps

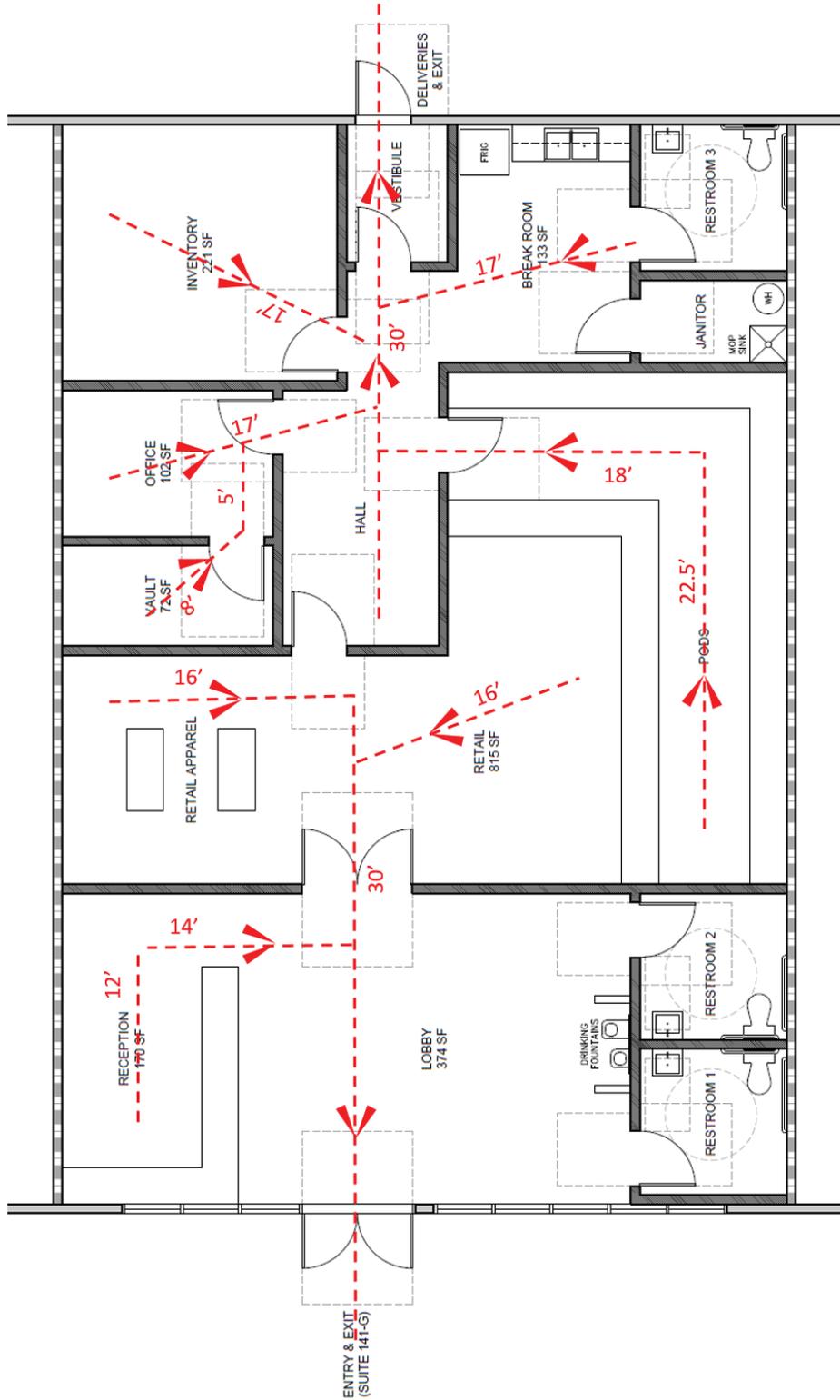


Exhibit E

Fire Safety Maps

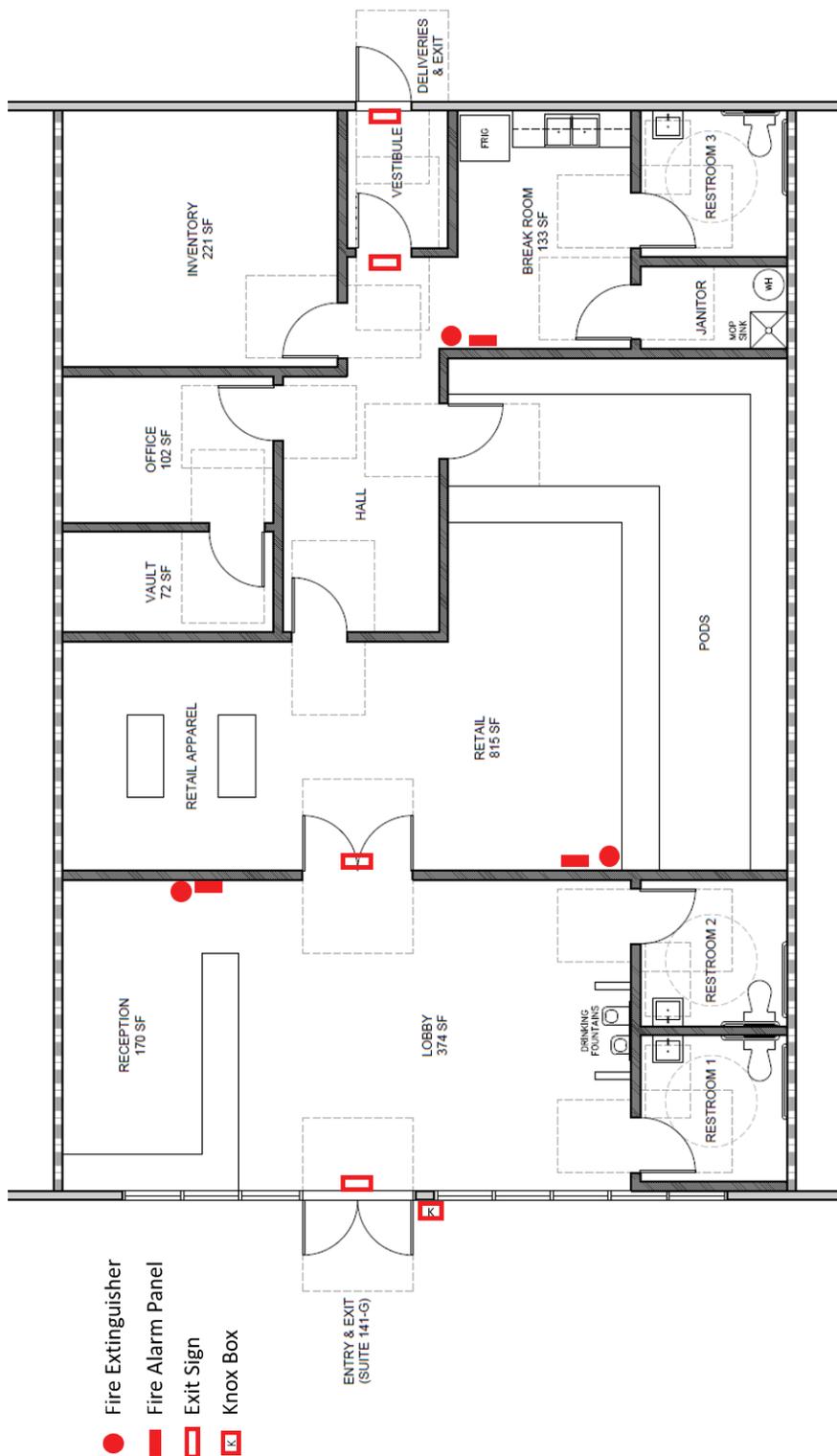


Exhibit F

Air Filtration



DuraPURE™

Extended Surface Activated Carbon Filter



As worldwide Indoor Air Quality specifications become more demanding, gas phase adsorption is quickly becoming a major factor in commercial and industrial air filtration systems. The DuraPURE is an excellent high performance solution in applications such as airports, industrial facilities, chemical plants, office buildings, and a wide variety of other air filtration systems.

The Koch Filter DuraPURE is an extended surface carbon filter which utilizes premium grade granular 60% activated carbon. DuraPURE's unique V-shaped frame holds up to 26 pounds of activated carbon in a single 24x24x12 filter, which insures maximum VOC and odor removal in any commercial or industrial application.

Two Capacity Levels and Three Standard Sizes

To meet the tough requirements of today's complex air filtration systems, DuraPURE is available in three standard sizes, and two media capacity levels, Standard Capacity and High Capacity.

- Provides effective removal of odors and Volatile Organic Compounds (VOC).
- Constructed with premium grade coconut shell carbon
- Available with specially impregnated adsorption medias

Specialized Carbon Media

DuraPURE is also available with specialized impregnated carbon media for removal of ammonia, hydrogen sulfide, and other difficult-to-remove compounds. Consult your Koch Filter representative to find the appropriate DuraPURE model for your system.

Partial List of Contaminants Best Controlled by Activated Carbon

Acetic acid	Ethyl benzoate	Chloroethane	Tetrachloroethane	Methyl propyl ketone
Allyl acetate	Ethyl sulfide	Cineole	Toluene	Cyclohexanone
Benzyl acetate	Ethylene dichloride	Heptane	Trichloroethylene	Decane
Butyl acetate	Formic acid	Indene	Triethylhexane	Dichloroethane
Butyl ethyl ether	Octane	Isoamyl butrate	Mineral Spirits	Dimethyl disulfide
Butyric acid	Pentachloroethane	Limonene	Nitroethane	Ethanol
Carbon tetrachloride	Phenol	LimoneneMethylallyl alcohol	Vinyl Pyridine	Ethynyl lactate
Chloroform	Styrene	Methylallyl Butanol	Acrylic acid	Ethynyl oxalate
Chlorophenol	Thiophenol	Methyl ethyl ketone (MEK)	Benzonitrile	Ethylcyclohexane
Furan	Trichloroethane	Cyclohexanol	Bromoform	Ethylene glycol diethyl ether
Hexane	Trimethylpentane	Cymene	Butylbenzene	Nonane
Isoamyl alcohol	Methylsalicylate	Dibutylamine	Butyl sulfide	Octene
Isopropyl alcohol	Nitroanisole	Diethyl ketone	Carbon disulfide	Pentyl ether
Linalyl format	Valeric acid	Dodecane	2-Chloroethanol	Pyridine
Methyl benzoate	Xylene	Ethyl acetate	Chlorotoluene	Tetrachloroethylene
Methyl oxyethanol	Acetone	Ethyl methyl ketone	Cresol	Tributylamine
Cyclohexane	Benzaldehyde	Ethylbenzene	Heptene	Tridecane
Cyclohexylbenzene	Bezene	Ethylene glycol	Isoamyl acetate	Methyl pentanone (MIBK)
Decane	Butyl alcohol	Nitrogen dioxide<100ppb	Isobutyl propionate	Naphtha
Dichlorotoluene	Butyl mercaptan	Octanoic acid	Lynalyl acetate	Undecane
Dimethyl disulfide	Camphor	Pentylamine	Methyl acetylsalicylate	Vinyl toluene
Ethoxyethanol	Chlorobenzene	Propionic acid	Methyl cyclohexanol	

DuraPURE | Bulletin K-397-B

Exhibit F

Air Filtration

DuraPURE Standard Capacity

Model	Nominal Size	Actual Size	Initial Pressure Drop (in w.g.)	Carbon Weight Per Filter (lbs.)	Total Weight Per Filter (lbs.)
DPC-442-SC	24x24x12	23.38 x 23.38 x 11.50	.34	18	33
DPC-042-SC	20x24x12	19.38 x 23.38 x 11.50	.34	15	30
DPC-242-SC	12x24x12	11.38 x 23.38 x 11.50	.34	8	26

DuraPURE High Capacity

Model	Nominal Size	Actual Size	Initial Pressure Drop (in w.g.)	Carbon Weight Per Filter (lbs.)	Total Weight Per Filter (lbs.)
DPC-442-HC	24x24x12	23.38 x 23.38 x 11.50	.74	26	41
DPC-042-HC	20x24x12	19.38 x 23.38 x 11.50	.74	24	36
DPC-242-HC	12x24x12	11.38 x 23.38 x 11.50	.74	12	32

Additional DuraPURE Information

Solvent Capacity of Standard Capacity DuraPURE: 5 lbs.

Solvent Capacity of High Capacity DuraPURE: 8 lbs.

Carbon Activity Rating: Minimum 60% on carbon tetrachloride (CCl₄) at 25 ° C.

DuraPURE Construction and Technical Data

Activated Coconut Shell Carbon
Premium grade 60% activated carbon provides maximum adsorption of VOC's and odors (other specially impregnated medias are also available).

Individual Media Cells
Moisture resistant honeycomb carbon cells offer high efficiency contaminant removal, with relatively low resistance to airflow.



Plastic and Metal Frame Components
Rugged components make the DuraPURE extremely rigid and easy to install. Single or double header available.

Thermoplastic Hot-Melt Adhesive
Specialized sealant eliminates air bypass and secures the individual carbon cells within the frame.

Qualifies as a Koch Green Product
The Koch Green icon identifies the DuraPURE as a product that meets or exceeds our criteria in one or more of the following categories: Earns LEED Points, Reduces Energy Costs, Extends Filter Lifecycles, Conserves Resources and/or Improves Indoor Environmental Quality.



KOCH FILTER
PURE PERFORMANCE

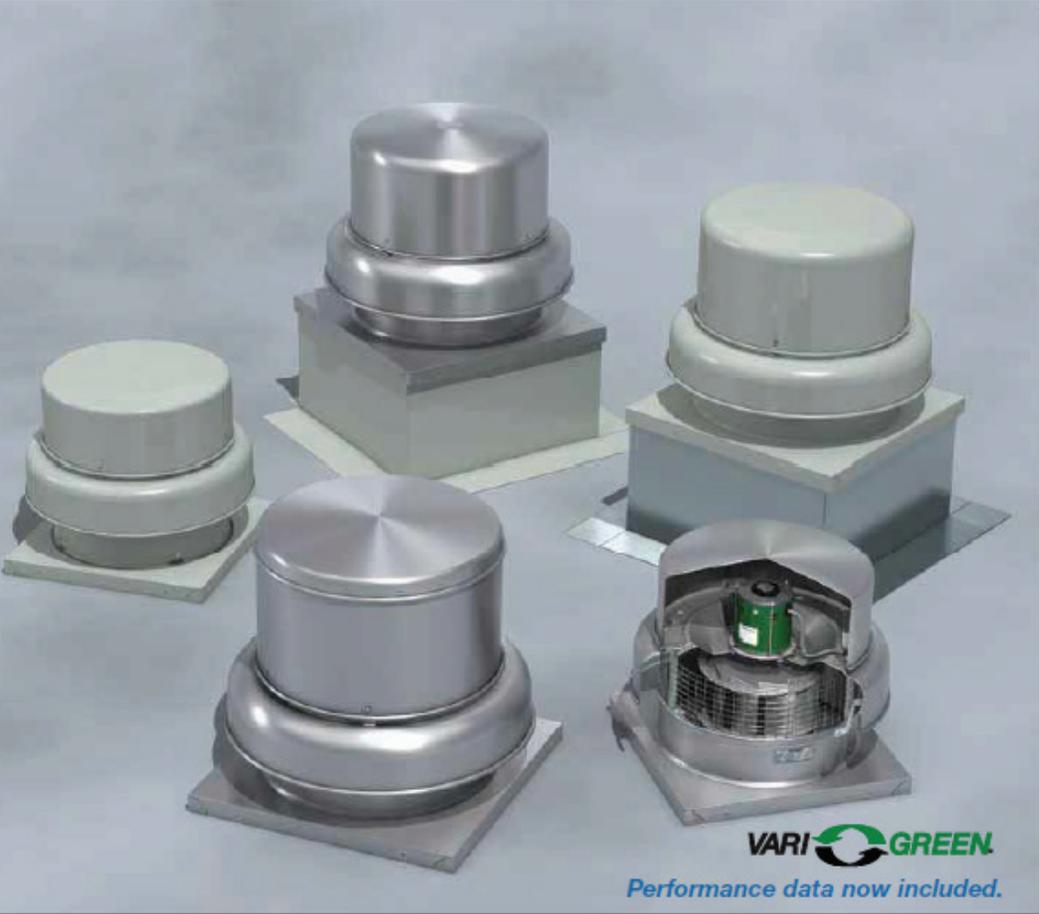
8401 Air Commerce Drive, Louisville, KY 40219
toll free: 800.757.5624 | phone: 502.634.4796 | Fax: 502.969.2364
Info@kochfilter.com | www.kochfilter.com

Exhibit F

Air Filtration

Centrifugal Roof Downblast Exhaust Fans Models G and GB

- General Clean Air • Light Contaminants
- Seismic • High Wind • Variable Volume



VARI GREEN
Performance data now included.

GREENHECK
Building Value in Air.

BUILDING VALUE IN AIR.

March
2013

Exhibit F

Air Filtration

Models G and GB Spun Aluminum • Downblast Centrifugal Roof Exhaust Fans



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Codes and Certifications



Greenheck Fan Corporation certifies that the Models G and GB fans shown herein are licensed to bear the AMCA Seal. The ratings shown are based on tests and procedures performed in accordance with AMCA Publication 211 and Publication 311 and comply with the requirements of the AMCA Certified Ratings Program. The certified ratings for Models G and GB are shown on pages 14 - 46.



G and GB models are listed for electrical (UL/cUL 705) File no. E40001
GB models for Emergency Smoke Control Systems (UL/cUL Listed for 500°F (260°C) for 4 hours and 1,000°F (538°C) for 15 minutes) File no. MH17511

**UL/cUL is optional and must be specified*

High Wind Certification

Miami-Dade NOA No. 12-0120.13 for high wind and hurricane zones

Seismic Certification

OSHPD No. 0148-10 - Office of Statewide Health Planning and Development (California)

IBC 2009 and 2012 - International Building Code



Enjoy Greenheck's extraordinary service, before, during and after the sale.

Greenheck offers added value to our wide selection of top performing, energy-efficient products by providing several unique Greenheck service programs.

- Our Quick Delivery Program ensures shipment of our in-stock products within 24 hours of placing your order. Our Quick Build made-to-order products can be produced in 1-3-5-10- or 15-day production cycles, depending upon their complexity.
- Greenheck's free Computer Aided Product Selection program (CAPS), rated by many as the best in the industry, helps you conveniently and efficiently select the right products for the challenge at hand.
- Greenheck has been Green for a long time! Our energy-saving products and ongoing corporate commitment to sustainability can help you qualify for LEED credits.
- Our 3D service allows you to download at no charge lightweight, easy-to-use AutoDesk™ Revit™ 3D drawings for many of our ventilation products.

Find out more about these special Greenheck services at greenheck.com

Exhibit F

Air Filtration

Models G and GB Spun Aluminum • Downblast Centrifugal Roof Exhaust Fans



Model Comparison																										
Model	Location		Mounting				Airflow				Application				Drive Type	Impeller Type	Performance									
	Outdoor	Indoor	Flo of Curb	Base/Floor	Hanging	Wall	Ceiling Mounted	Exhaust	Supply	Reversible	Recirculate	General/Clean Air	Contaminated Air	Spark Resistant	Grease (UL 762)	Smoke Control (ML)*	High Wind**	Continuous High Temp (above 200°F)	Belt	Direct	Centrifugal	Propeller/Axial	Mixed Flow	Maximum Volume (cfm)	Maximum Static Pressure (in. wg)	Relative Cost
G	✓		✓				✓				✓	✓				✓			✓	✓				6,308	1.75	\$
GB	✓		✓				✓				✓	✓				✓	✓		✓	✓				44,700	3.25	\$

* Smoke Control available on models: 101, 101HP, 121, 131, 141, 141HP, 161, 161HP, 200, 240, 300, 360, 420 and 480.

** High wind limited to sizes 300 and smaller

Greenheck models G and GB centrifugal roof exhaust fans provide the industry's best performance and durability for general clean air applications where air is discharged downward, toward the roof surface.

- Broadest performance in the industry, up to 3.25 in. wg (810 Pa) and 45,000 cfm (76,500 m³/hr).
- Most advanced motor cooling of any fan in its class.
- Performance as cataloged is assured. All fan sizes are tested in our AMCA Accredited Laboratory, and all models are licensed to bear the AMCA Sound and Air Performance seals.
- UL Listed for electrical.
- Greenheck subjects these products to extensive life testing, assuring you that the fans will provide years of reliable performance.



Direct Drive, G

- Use for short and/or low resistance ductwork

Belt Drive, GB

- For average length and/or average resistance ductwork
- High volume/average pressure

High Pressure, GB-HP and G-HP

- For long and/or high resistance ductwork
- Low volume/high pressure



Exhibit F

Air Filtration

Construction Features Models G and GB



Standard Construction Features	
1 Wheel	An aluminum, backward-inclined, non-overloading centrifugal wheel is utilized to generate high-efficiency and minimal sound. Wheel cones are carefully matched to the venturi for maximum efficiency. Each wheel is robotically welded and statically and dynamically balanced for long life and quiet operation.
2 Disconnect Switch	NEMA-1 switch is factory mounted and wiring is provided from the motor as standard (other switches are available). All wiring and electrical components comply with the National Electrical Code® (NEC) and are either UL Listed or Recognized.
3 Fan Shaft	Precisely sized, ground and polished so the first critical speed is at least 25% over the maximum operating speed. Where the shaft makes contact with bearings, tight tolerances result in longer bearing life.
4 Bearings	100% factory tested and designed specifically for air handling applications with a minimum L ₁₀ life in excess of 100,000 hours (L ₅₀ life of 500,000 hours).
5 Motor	Carefully matched to the fan load and is mounted out of the airstream.
6 Motor Cover	Constructed of aluminum and attached with fasteners that provide for easy removal and access to motor compartment and drive assembly.
7 Motor Cooling	Cooling fins located on top of the fan wheel draw outside air through a large space between the fan shroud and the motor cover directly into the motor compartment. Positive motor cooling with fresh air results in maximum motor life.
8 Lifting Points	Various lifting points are located on the drive frame and bearing plate (on select sizes).
9 True Vibration Isolation	Vibration isolators, with no metal-to-metal contact, support the drive assembly and wheel for long life and quiet operation.
10 Drive Assembly	Belts, pulleys, and keys are oversized 150% of driven horsepower. Machined cast pulleys are adjustable for final system balancing. Belts are static-free and oil-resistant.
11 Lower Windband	Heavy-gauge aluminum with formed edges for added strength and provides weather resistance.
12 Curb Cap	Curb cap (with integral deep spun venturi) is constructed of aluminum and is one-piece for a weather-tight fit.
13 Internal Conduit Chase	A large diameter conduit for installing electrical wiring through the curb cap into the motor compartment.
14 Nameplate	Permanent stamped aluminum plate for exact model and serial number identification.
15 Galvanized Birdscreen	Rigid wire protects the fan discharge from birds and small objects.
16 Fan Shroud	One-piece, heavy-gauge aluminum with a rolled bead for extra strength directs exhaust air downward.
17 Mounting Holes	Curb cap has prepunched mounting holes to ensure correct attachment to the roof.
High Wind Construction Features	
18 Internal Supports	Heavy-gauge supports and bracing are added for additional strength to withstand a load of 75 psf.
19 Reinforced Wind Band	High wind fans include additional reinforcement for maximum strength.
Roof Curb (page 10)	High wind-load fans are certified for use with Greenheck model GPFHL, GPFHD, GPF or equivalent in high wind applications. Roof curbs ship separate for field installation with attachment details provided.

Exhibit F

Air Filtration

Construction Features Models G and GB

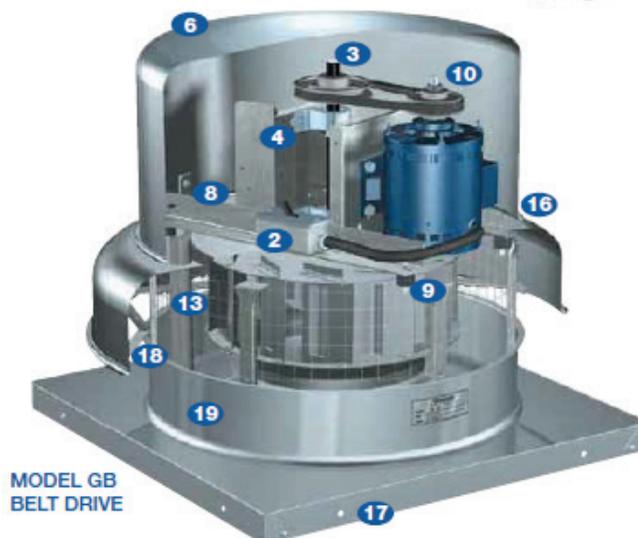
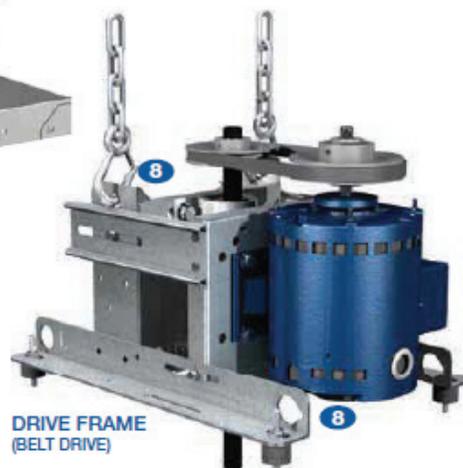


Exhibit G

List of SKUs

11:11 - WEDDING CAKE - 3.5G 1/11 (15791)	Flowers
2EZ - HYBRID - 1G PREROLL	Flowers
2EZ - INDICA - 1G PREROLL	Flowers
2EZ - SATIVA - 1G PREROLL 1/17 (19673)	Flowers
ABX - 10 CT. SOFT GELS - 100MG	Edible
ABX - SLEEPY TIME DROPS	Edible
ABX/LAGUNITAS - HI FI HOPS - 10MG THC	Drink
ALIEN LAB - AREA 41 - 3.5G	Flowers
ALIEN LABS - BADDER FUELATO SAUCE - 1G 1/11 (15829)	Concentrate
ALIEN LABS - BADDER ZOOKIES SAUCE - 1G 1/11 (15828)	Concentrate
ALIEN LABS - PLANET DOSI - 3.5G 1/11 (15792)	Flowers
ALIEN LABS - SHERBACIO - 3.5G	Flowers
AUTHENTIC - CHAMPAGNE - 3.5G	Flowers
AUTHENTIC - COOKIES AND CHEM - 3.5G	Flowers
AUTHENTIC - DRAGONS BREATH - 3.5G 1/17 (21477)	Flowers
AUTHENTIC - PUNCH LINE - 3.5G	Flowers
AUTHENTIC - PURPLE DEMON - 3.5G	Flowers
AUTHENTIC - PURPLE PUNCH - 3.5G	Flowers
AUTHENTIC - SOUR SANDIA - 3.5G	Flowers
AUTHENTIC - SUNDAE TRUFFLE - 3.5G	Flowers
AUTHENTIC - WIFI X COOKIES - 3.5G	Flowers
BEEZLE - MEAT BREATH - 1G	Concentrate
BEEZLE - OGKB - 1G	Concentrate
BEEZLE - ORANGE FRUITY PEBBLES - 1G	Concentrate
BIC LIGHTER	Accessories
BIIT - ASSORTED SOUR GUMMIES - 100MG 1/17 (19672)	Edible
BIIT - BLACK CHERRY SOUR GUMMIES - 100MG	Edible
BIIT - BLUE RASPBERRY SOUR GUMMIES - 100MG	Edible
BIIT - GREEN APPLE SOUR GUMMIES - 100MG	Edible
BIIT - STRAWBERRY SOUR GUMMIES - 100MG	Edible
BIIT - WATERMELON SOUR GUMMIES - 100MG	Edible
BLASTED - ANIMAL COOKIES - 3.5G 1/24 (11687)	Flowers
BLASTED - CAKE BATTER - 3.5G 1/24 (11685)	Flowers
BLASTED - CAKE MONSTER - 3.5G 1/24 (11688)	Flowers
BLASTED - GAS HOUSE - 3.5G 1/11/20 (016131)	Flowers
BLASTED - KING LOUIS - 3.5G 1/24 (11689)	Flowers
BLASTED - MENTAL OG - 3.5G 1/24 (11686)	Flowers
BLASTED - SKYWALKER - 3.5G 1/11/20 (016133)	Flowers
BLASTED - TRIPLE OG - 3.5G 1/24 (11690)	Flowers
BLOOM - BATTERY	Battery
BLOOM - CHAMPAGNE KUSH - .5G	Vape
BLOOM - GSC - 1G	Vape
BLOOM - MAUIE WOWIE - 1G	Vape
BLOOM - PINEAPPLE EXPRESS - .5G	Vape
BLOOM - PINEAPPLE EXPRESS - 1G	Vape
BLOOM - SKYWALKER - 1G	Vape
CALIVA - ALIEN OG - 3.5G 1/17 (21475)	Flowers

Exhibit G

List of SKUs

CALIVA - BLACK JACK - 3.5G	Flowers
CALIVA - TOASTIES - 5PK PREROLL	Pre-Roll
CALIVAS - DOGWALKER - 4PK PREROLL 1/11 (15795)	Flowers
CANNADIPS - 4:1 CBD/THC MINT FLAVOR - HIGHDOSE	Edible
CANNADIPS - CITRUS FLAVOR - MICRODOSE	Edible
CANNADIPS - MINT FLAVOR - HIGHDOSE	Edible
CANNADIPS - MINT FLAVOR - MICRODOSE	Edible
CARE BY DESIGN - 1:1 CBD SOFTGELS	Edible
CARE BY DESIGN - 2:1 CBD DROPS	Tincture
CLIPPER LIGHTER	Accessories
CONNECTED - BADDER SUGAR CONE SAUCE - 1G 1/11 (15830)	Concentrate
CONNECTED - BISCOTTI - 3.5G 1/11 (15793)	Flowers
CONNECTED - FORBIDDEN GUSHERS SAUCE - 1G	Concentrate
CONNECTED - GUSHERS - 3.5G 1/11 (15794)	Flowers
COSMIC - DOUBLE CHOCOLATE CHIP - 100MG	Edible
CREME - EL CHAPO - 3.5G	Flowers
CRU - BLACK BATTERY	Battery
CRU - GREEN CRACK - 3.5G	Flowers
CRU - ICE CREAM CAKE - 3.5G	Flowers
CRU - SKYWALKER - 3.5G	Flowers
CRU - WEDDING CAKE - 3.5G	Flowers
CURE - MARATHON OG 3.5G (23474) 1/25/2020	Concentrate
CURE - MONSTER COOKIES - 3.5G	Flowers
CURE - PASSPORT - 3.5G	Flowers
EFEX - ACTIVE PINK GRAPEFRUIT - .5G DISPOSABLE	Vape
EFEX - CHILL FRESH APRICOT - .5G DISPOSABLE	Vape
EFEX - CHILL SOUR GUMMY 1/24 (11668)	Edible
EFEX - DREAM BLUEBERRY - .5G DISPOSABLE	Vape
EFEX - HEAL VANILLA & MINT - .5G DISPOSABLE	Vape
EFEX - PURE CBD SOUR GUMMY	Edible
EFEX - SOCIAL PINEAPPLE & GUAVA - .5G DISPOSABLE	Vape
EMBER VALLEY - DOSI WHITE - 3.5G 1/11 (15796)	Flowers
EMBER VALLEY - ICE CREAM CAKE - 3.5G 1/11 (18881)	Flowers
ENJOYABLE - BLACKOUT BROWNIE - 100MG	Edible
ENJOYABLE - PEANUT BUTTER BROWNIE - 100MG	Edible
ENJOYABLE - PEANUT BUTTER COOKIE - 100MG	Edible
ENJOYABLE - SPACE COOKIE BROWNIE - 100MG	Edible
FADE CO - CHEM D. - 3.5G	Flowers
FRIENDLY FARMS - LLR CHERRY GELATO - .5G CART	Flowers
FRIENDLY FARMS - LLR RASPBERRY LEMONADE - .5G CART	Vape
FRIENDLY FARMS - LLR TANGIE - .5G CART	Vape
FRIENDLY FARMS X ALIEN LABS - LLR ZOOKIES - .5G CART	Vape
FUN UNCLE - SOUR HOUR POWER X BACKSEAT JACK - 1G PREROLL	Pre-Roll
FUZZIES - CBD - 3 PK PREROLL 1/17 (21482)	Pre-Roll
FUZZIES - OG KUSH - 3 PK PREROLL 1/17 (21487)	Pre-Roll
FUZZIES - OG KUSH - KING SIZED PREROLL 1/17 (21488)	Pre-Roll
FUZZIES - SUPER SILVER HAZE - 3 PK PREROLL 1/17 (21486)	Pre-Roll

Exhibit G

List of SKUs

FUZZIES - SUPER SILVER HAZE - KING SIZED PREROLL 1/17 (21485)	Pre-Roll
FUZZIES - WEDDING CAKE - 3 PK PREROLL 1/17 (21484)	Pre-Roll
FUZZIES - WEDDING CAKE - KING SIZED PREROLL 1/17 (21483)	Pre-Roll
GLASS HOUSE - HELL'S FIRE OG - 3.5G	Flowers
HEAVY HITTERS - BLUEBERRY - 1G	Vape
HIGH CALIBER - ANIMAL COOKIES - 3.5G	Flowers
HIGH CALIBER - MENDO BREATH - 3.5G	Flowers
HIGH CALIBER - WEDDING CRASHERS - 3.5G	Flowers
HONEYDEW FARMS - CUVEE COOKIES - 3.5G	Flowers
HONEYDEW FARMS - ICE CREAM CAKE - 3.5G	Flowers
HONEYDEW FARMS - MAC 1 - 3.5G	Flowers
HONEYDEW FARMS - PURPLE PUNCH - 3.5G	Flowers
HONEYDEW FARMS - SUNDAE DRIVER - 3.5G	Flowers
ISLAND - WEDDING CAKE - 3.5G	Flowers
KING PEN - GELATO - .5G	Vape
LEVEL - CALM:CBG TABLINGUAL - 3MG	Edible
LEVEL - PROTAB HYBRID - 25MG	Edible
LEVEL - PROTAB INDICA - 25MG	Edible
LEVEL - PROTAB SATIVA - 25MG	Edible
LIIL - 1:1 CBD JUICY MELON - .5G DISPOSABLE PEN	Vape
LIIL - 1:1 CBD MANGO - .5G DISPOSABLE PEN	Vape
LIIL - BIRTHDAY CAKE - .5G DISPOSABLE PEN	Vape
LIIL - BISCOTTI - .5G DISPOSABLE PEN	Vape
LIIL - BLUE BURST - .5G DISPOSABLE PEN	Vape
LIIL - BLUE DREAM - .5G DISPOSABLE PEN	Vape
LIIL - DO-SI-DOS - .5G DISPOSABLE PEN	Vape
LIIL - GDP - .5G DISPOSABLE PEN	Vape
LIIL - GELATO - .5G DISPOSABLE PEN	Vape
LIIL - HARDCORE OG - .5G DISPOSABLE PEN	Vape
LIIL - OG KUSH - .5G DISPOSABLE PEN	Vape
LIIL - PINEAPPLE EXPRESS - .5G DISPOSABLE PEN	Vape
LIIL - PREMIUM JACK - .5G DISPOSABLE PEN	Vape
LIIL - PURPLE PUNCH - .5G DISPOSABLE PEN	Vape
LIIL - SFV OG - .5G DISPOSABLE PEN	Vape
LIIL - SKYWALKER OG - .5G DISPOSABLE PEN	Vape
LIIL - SOUR DIESEL - .5G DISPOSABLE PEN	Vape
LIIL - STRAWBERRY COUGH - .5G DISPOSABLE PEN	Vape
LIIL - STRAWNANA - .5G DISPOSABLE PEN	Vape
LIIT - BERRY NICE - 3.5G	Flowers
LIIT - GRAPE SORBET - 3.5G 1/17 (19674)	Flowers
LIIT - HI JACK - 3.5G 1/11/20 (016123)	Flowers
LIIT - HI JACK - 3.5G 1/4/20 (08513)	Flowers
LIIT - KILO OG - 3.5G 1/17 (19676)	Flowers
LIIT - KING KONG - 1G PREROLL 1/11/20 (016122)	Flowers
LIIT - KING KONG - 3.5G	Flowers
LIIT - MOCHILATO - 3.5G 1/17 (19677)	Flowers
LIIT - PURPLE PUNCH - 1G PREROLL 1/11/20 (016121)	Flowers

Exhibit G

List of SKUs

LIIT - PURPLE PUNCH - 3.5G	Flowers
LIIT - PURPLE PUNCH - 3.5G 1/17 (19675)	Flowers
LIIT - RAINBOW SHERBET - 3.5G	Flowers
LIIT - STRAWNANA - 3.5G 1/11/20 (016125)	Flowers
LIIT - WHITE WALKER - 3.5G	Flowers
LIIT - WIDOW MAKER - 3.5G 1/11/20 (016126)	Flowers
MEGA - DEATH WISH - 3.5G	Flowers
MEGA - DEATH WISH - 3.5G 1/17 (19678)	Flowers
MOXIE - 510 BLACK BATTERY	Battery
MOXIE - 510 PINK BATTERY	Battery
MOXIE - GHOST OG LIVE RESIN SAUCE - .5G	Concentrate
MOXIE - GOOBERZ BADDER - 1G	Concentrate
MOXIE - LLR GS SOPHIES BANANA GELATO - .5G CART	Vape
MOXIE - LLR PAYASO GRAPE PIE - .5G CART	Vape
MOXIE - NOR CAL PURP BADDER - 1G	Concentrate
MOXIE - PERFECTA BADDER - 1G	Concentrate
MOXIE - PURPLE COOKIES BADDER - 1G	Concentrate
MOXIE - SYNERGY BANANA GELATO LIVE RESIN SAUCE - .5G	Concentrate
MOXIE - VILLAGE WEDDING PUNCH SAUCE - .5G 1/11 (15836)	Concentrate
NUG - 1:1 CBD MATCHA CHOCOLATE BAR	Edible
NUG - CANNABIS ON FIRE X TAFFIE - 3.5G	Flowers
NUG - COOKIES & CREAM CHOCOLATE - 100MG 1/17 (21480)	Edible
NUG - DAIRY QUEEN LIVE RESIN - 1G	Concentrate
NUG - DOS Y DOS LIVE RESIN - 1G	Concentrate
NUG - EGOLOSS - 3.5G	Flowers
NUG - EXTREME CREME - 3.5G	Flowers
NUG - GG4 - 3.5G	Flowers
NUG - LEMON CAKE DIAMONDS - 1G	Concentrate
NUG - MOCHA CRUNCH MILK CHOCOLATE - 100MG	Edible
NUG - SALTED ALMOND DARK CHOCOLATE - 100MG	Edible
NUG - STRAWBERRY CHEM LIVE RESIN - 1G	Concentrate
OLD PAL - HYBRID CART - .5G	Vape
PACIFIC STONE - FORBIDDEN FRUIT - 7G 1/11 (15801)	Flowers
PACIFIC STONE - PR OG - 3.5g 1/11 (15800)	Flowers
PACIFIC STONE - WEDDING CAKE - 3.5G	Flowers
PALMAS - CHEMDAWG - 1G PREROLL	Flowers
PALMAS - CHEMDAWG - 3.5G	Flowers
PALMAS - DOGTOWN - 3.5G	Flowers
PALMAS - FIRE OG - 3.5G	Flowers
PALMAS - HERIJUANA - 3.5G	Flowers
PALMAS - SOUR DIESEL - 3.5G	Flowers
PALMAS - SOUR DIESEL - 3.5G 1/11/20 (016127)	Flowers
PALMAS - SUPER SILVER HAZE - 1G PREROLL	Flowers
PALMAS - SUPER SILVER HAZE - 3.5G 1/11/20 (016128)	Flowers
PALMAS - WHITEFIRE - 3.5G	Flowers
PAPA & BARKLEY - CBD RICH 30:1 TINCTURE - 30ML	Tincture
PAPA & BARKLEY - RELEAF PATCH - CBD	Tincture

Exhibit G

List of SKUs

PAPA & BARKLEY - THC RICH 1:3 BALM - 15ML	Tincture
PARADISO - CHERRY OG - 3.5G	Flowers
PLUS PRODUCTS - 2:1 THC/CBD SOUR BLUEBERRY - 100MG	Edible
PLUS PRODUCTS - BLACKBERRY + LEMON GUMMIES - 100MG	Edible
PLUS PRODUCTS - CONCORD GRAPE GUMMIES - 100MG	Edible
PLUS PRODUCTS - TANGERINE GUMMIES - 100MG	Edible
PLUS PRODUCTS - WATERMELON - 100MG	Edible
PUNCH EDIBLES - ALMOND DARK CHOCOLATE PUNCH BAR - 90MG	Edible
PUNCH EDIBLES - MILK CHOCOLATE CARAMEL BITS PUNCH BAR - 90MG	Edible
PUNCH EDIBLES - PEANUT BUTTER DARK CHOCOLATE PUNCH BAR - 90MG	Edible
PUNCH EDIBLES - PEANUT BUTTER MILK CHOCOLATE CRUNCH PUNCH BAR - 90MG	Edible
PUNCH EDIBLES - SEA SALT DARK CHOCOLATE PUNCH BAR - 90MG	Edible
PUNCH EDIBLES - STRAWBERRY CHEESECAKE PUNCH BAR - 90MG	Edible
PUNCH EDIBLES - TOFFEE MILK CHOCOLATE PUNCH BAR - 90MG	Edible
RAW GARDEN - BANANA BREAD - .5G CART	Vape
RAW GARDEN - BATTERY	Battery
RAW GARDEN - COOKIE STOMPER SAUCE - 1G 1/11 (15813)	Concentrate
RAW GARDEN - FIRE BENDER OG - .5G CART 1/17 (21468)	Vape
RAW GARDEN - HIGH ROLLER SAUCE - 1G 1/11 (15807)	Concentrate
RAW GARDEN - KEY LIME TART - .5G CART	Vape
RAW GARDEN - LIME COOKIES SAUCE - 1G 1/11 (15810)	Concentrate
RAW GARDEN - MENDO PUNCH SAUCE - 1G 1/11 (15809)	Concentrate
RAW GARDEN - ORANGE SUNSET SAUCE - 1G 1/11 (15812)	Concentrate
RAW GARDEN - PURPLE DOSI - .5G CART 1/17 (21472)	Vape
RAW GARDEN - RASPBERRY PUNCH - .5G CART 1/17 (21471)	Vape
RAW GARDEN - SKYDOGGIE SAUCE - 1G 1/11 (15815)	Concentrate
RAW GARDEN - WUBBA PUNCH SAUCE - 1G 1/11 (15811)	Concentrate
RAW GARDEN - YOGI BERRIES - .5G CART	Vape
RAW GARDEN - ZOOKIE LAND SAUCE - 1G (15814)	Concentrate
RIVERVIEW - GG4 - 4G	Flowers
ROLLING PAPER (BLACK)	Accessories
ROLLING PAPER (WHITE)	Accessories
ROSE DELIGHTS - EXCLUSIVE SIN INDICA - 100MG	Edible
SELECT ELITE - BLACK CHERRY OG - 1G	Vape
SELECT ELITE - GRAPEFRUIT HAZE - 1G	Vape
SELECT ELITE - JACK HERER - .5G	Vape
SELECT ELITE - JACK HERER - 1G	Vape
SELECT ELITE - ORIGINAL GLUE - .5G	Vape
SELECT ELITE - TANGIE - 1G	Vape
SOURCE - TAHOE - 3.5G 1/11 (15803)	Flowers
STAFF DEAL - ALIEN LABS - AREA 41 - 3.5G	Flowers
STASH JAR (14G)	Accessories
STICKER STIIIZY WARP	Accessories
STIIIZY - 1:1 CBD JUICY MELON - .5G POD	Vape
STIIIZY - 1:1 CBD JUICY MELON - 1G POD	Vape
STIIIZY - 1:1 CBD MANGO - .5G POD	Vape
STIIIZY - 1:1 CBD MANGO - 1G POD	Vape

Exhibit G

List of SKUs

STIIIZY - ADVANCED BIIIIG BATTERY	Battery
STIIIZY - BIRTHDAY CAKE - .5G POD 1/17 (11157)	Vape
STIIIZY - BIRTHDAY CAKE - 1G POD	Vape
STIIIZY - BISCOTTI - .5G POD 1/11/20 (016115)	Vape
STIIIZY - BISCOTTI - .5G POD 1/24 (11650)	Vape
STIIIZY - BISCOTTI - 1G POD	Vape
STIIIZY - BISCOTTI - 1G POD 1/17 (19657)	Vape
STIIIZY - BLUE BATTERY	Battery
STIIIZY - BLUE BURST - .5G POD 1/17 (19649)	Vape
STIIIZY - BLUE BURST - 1G POD 1/11/20 (016120)	Vape
STIIIZY - BLUE DREAM - .5G POD 1/11/20 (016113)	Vape
STIIIZY - BLUE DREAM - 1G POD	Vape
STIIIZY - BLUE DREAM - 1G POD 1/11/20 (016118)	Vape
STIIIZY - CAMO VET BATTERY	Battery
STIIIZY - CANCER ROSE BATTERY	Battery
STIIIZY - DO-SI-DOS - .5G POD 1/17 (19646)	Vape
STIIIZY - DO-SI-DOS - 1G POD	Vape
STIIIZY - GDP - .5G POD 1/17 (19645)	Vape
STIIIZY - GDP - 1G POD	Vape
STIIIZY - GELATO - .5G POD 1/11/20 (016114)	Vape
STIIIZY - GELATO - 1G POD	Vape
STIIIZY - GELATO - 1G POD 1/11/20 (016119)	Vape
STIIIZY - GOLD BATTERY	Battery
STIIIZY - HARDCORE - 1G POD 1/17 (19658)	Vape
STIIIZY - HARDCORE OG - .5G POD 1/11/20 (016116)	Vape
STIIIZY - HARDCORE OG - 1G POD	Vape
STIIIZY - LLR ICE CREAM CAKE - .5G POD 1/17 (19665)	Vape
STIIIZY - LLR ICE CREAM CAKE - 1G POD 1/17 (19669)	Vape
STIIIZY - LLR JACK HERER - .5G POD	Vape
STIIIZY - LLR KING LOUIS OG - .5G POD 1/17 (19664)	Vape
STIIIZY - LLR KING LOUIS OG - 1G POD 1/17 (19668)	Vape
STIIIZY - LLR LEMON COOKIES - .5G POD 1/17 (19667)	Vape
STIIIZY - LLR LEMON COOKIES - 1G POD 1/17 (19671)	Vape
STIIIZY - LLR LEMON TWIST - .5G POD 1/17 (19666)	Vape
STIIIZY - LLR LEMON TWIST - 1G POD 1/17 (19670)	Vape
STIIIZY - LLR SUNSET SHERBERT - .5G POD	Vape
STIIIZY - OG KUSH - .5G POD 1/24 (11652)	Vape
STIIIZY - OG KUSH - 1G POD	Vape
STIIIZY - OG KUSH - 1G POD 1/17 (19659)	Vape
STIIIZY - OG KUSH - 1G POD 1/24 (11658)	Vape
STIIIZY - ORANGE BATTERY	Battery
STIIIZY - PINEAPPLE EXPRESS - .5G POD 1/17 (19644)	Vape
STIIIZY - PINEAPPLE EXPRESS - 1G POD	Vape
STIIIZY - PINEAPPLE EXPRESS - 1G POD 1/17 (19654)	Vape
STIIIZY - PREMIUM JACK - .5G POD 1/17 (19643)	Vape
STIIIZY - PREMIUM JACK - 1G POD	Vape
STIIIZY - PURPLE PUNCH - .5G POD 1/11/20 (016117)	Flowers

Exhibit G

List of SKUs

STIIIZY - PURPLE PUNCH - 1G POD	Vape
STIIIZY - PURPLE PUNCH - 1G POD 1/17 (19660)	Vape
STIIIZY - RED BATTERY	Battery
STIIIZY - ROSE BATTERY	Battery
STIIIZY - SFV OG - .5G POD 1/17 (19650)	Vape
STIIIZY - SFV OG - 1G POD	Vape
STIIIZY - SILVER BATTERY	Battery
STIIIZY - SKYWALKER OG - .5G POD 1/17 (19651)	Vape
STIIIZY - SKYWALKER OG - 1G POD	Vape
STIIIZY - SKYWALKER OG - 1G POD 1/24 (11657)	Vape
STIIIZY - SKYWALKER OG - 1G POD 1/4/20 (14217)	Vape
STIIIZY - SOUR DIESEL - .5G POD	Vape
STIIIZY - SOUR DIESEL - 1G POD 1/4/20 (14216)	Vape
STIIIZY - SOUR TANGIE - .5G POD	Vape
STIIIZY - SOUR TANGIE - 1G POD	Vape
STIIIZY - STRAWBERRY COUGH - .5G POD 1/17/20 (19642)	Vape
STIIIZY - STRAWBERRY COUGH - 1G POD	Vape
STIIIZY - STRAWBERRY COUGH - 1G POD 1/17 (19653)	Vape
STIIIZY - STRAWNANA - .5G POD 1/17 (19647)	Vape
STIIIZY - STRAWNANA - 1G POD 1/17 (19655)	Vape
STIIIZY ASH TRAY	Accessories
STIIIZY BRIGHT CROP TOP SMALL (BLACK)	Accessories
STIIIZY CHERRY TANK TOP MEDIUM (WHITE)	Accessories
STIIIZY CLUB JACKET	Accessories
STIIIZY CROPPED ROSE HOODIE LARGE (WHITE)	Accessories
STIIIZY DAD HAT - NAVY	Accessories
STIIIZY DAD HAT - ORANGE	Accessories
STIIIZY DREAM LONG SLEEVE SHIRT - GREY - SMALL	Accessories
STIIIZY LANYARD (BLACK)	Accessories
STIIIZY LANYARD (GREEN)	Accessories
STIIIZY LANYARD (PURPLE)	Accessories
STIIIZY LANYARD (RED)	Accessories
STIIIZY LANYARD (WHITE)	Accessories
STIIIZY PATCH SHIRT - BLACK - LARGE	Accessories
STIIIZY SLIDES (SIZE 7)	Accessories
STIIIZY STAMP MEDIUM (H.GREY)	Accessories
STIIIZY- VISION (GREEN)	Accessories
THC DESIGN - MANDARIN GOD - 3.5G	Flowers
THC DESIGN - STRAWBERRY BANANA - 3.5G	Flowers
URSA - LEMON OG LIVE RESIN - 1G	Concentrate
URSA - PINK LEMONADE DIAMOND FLAKE - 1G	Concentrate
URSA - RAINBOW FLAME LIVE RESIN - 1G	Concentrate
URSA - SHERBET - 1G	Concentrate
URSA - SOUR TANGIE LIVE RESIN - 1G	Concentrate
URSA - WATERMELON - 1G	Concentrate
URSA - ZKITTLES LIVE RESIN - 1G	Concentrate
WATER PIPE (BEAKER)	Accessories
WONDERBRETT - BANANA OG - 3.5G	Flowers
WONDERBRETT - ORANGE SUNSET - 3.5G	Flowers
WONDERBRETT - PINEAPPLE OG - 3.5G	Flowers
WONDERBRETT - PINK PICASSO - 3.5G	Flowers

Exhibit H

Lease Agreement

Please see the following pages.

STANDARD RETAIL LEASE
Sunset Shopping Center, Suisun City, CA

1. **Basic Provisions** ("Basic Provisions").

- 1.1 **Parties.** This Lease ("Lease"), dated for reference purposes only 6th day of May 2020 is made by and between CENTRE PLACE WALNUT CREEK, LLC, a California limited liability company, ("Lessor"), and, SGI SUISUN LLC, a California limited liability company ("Lessee"), (collectively the "Parties", or individually a "Party").
- 1.2 **Premises.** That certain portion of the Shopping Center (as defined below), including all improvements therein or to be provided by Lessor under the terms of this Lease, commonly known by the street address of 141-G Sunset Avenue, located in the City of Suisun City, County of Solano, State of California, as outlined on Exhibit "A" attached hereto ("Premises") and containing approximately 2,400 rentable square feet of retail space.
- In addition to Lessee's rights to use and occupy the Premises as hereinafter specified, Lessee shall have non-exclusive rights to the Common Areas (as defined in Paragraph 2.7 below) as hereinafter specified, but shall not have any rights to the roof, except as outlined in the exterior walls or utility raceways of the building containing the Premises (" Building") or to any other buildings in the Shopping Center. The Premises and the Building are situated within the Shopping Center known as Sunset Shopping Center. The Premises, the Building, the Common Areas and all other buildings and improvements within said Shopping Center, together with the land upon which they are located, are herein collectively referred to as the "Shopping Center." (See also Paragraph 2)
- 1.3 **Term.** One Hundred Twenty (120) months ("Original Term") from the earlier of one hundred twenty (120) days from Lessee's receipt of Project Approvals, as further defined in Article 53 herein, or the date Lessee opens for business to the public ("Commencement Date") (See also Paragraph 3). The Lease shall expire one hundred twenty (120) months from the Commencement Date ("Expiration Date"). However, in any event the first month of the Original Term shall be the first full month after the Lessee has opened for business but shall be obligated to pay any prorated month during the Lessee ultimately opens thereof.
- 1.4 **Early Possession.** Lessee shall coordinate early access with Lessor to secure the Premises during the Project Approval process, which shall occur on the first full month after the Lease is fully executed as defined herein as the Delivery Date, and Lessee has provided the Lessor with a current certificate of insurance and monies due upon signing the Lease ("Early Possession Date") (See also Paragraphs 3.2 and 3.3).
- 1.5 **Base Rent.** Immediately after the earlier of the expiration of Lessee's Due Diligence Deadline (as defined further herein), or Lessee waives its' the Lessee Due Diligence Condition, during the Early Possession period ("Pre-approval Base Rent") rent shall immediately commence and shall continue on a monthly basis until the Commencement Date, in the amount of \$3,480 per month (or any portion of a month thereof, if the first month the Lessee Due Diligence Condition is satisfied, and such date is not the first (1st) of a month), or until the Lease is terminated by either Party.

From the earlier of one hundred twenty (120) days from Lessee's receipt of Project Approvals, or the date Lessee opens for business to the public, Lessee shall pay \$7,800 per month ("Base Rent"), beginning on the Commencement Date (See also Paragraph 4).

compliance with, and subject to all local and state regulations and ordinances (which includes store hours) to operate in a first-class manner, similar to the Lessees' other locations, and for no other use or purpose without Lessor's prior consent. Upon receiving written request from Lessee, Lessor shall provide notarized consent for Lessee's submittal of its C.U.P. and B.O.P. application for the Premises within a commercially reasonable timeframe, with all costs borne by Lessee. Lessee shall also be responsible for any costs for security in, around, and adjacent to the Premises including in the common areas of the Shopping Center. Incidental sales shall be defined as 10% or less of Lessee's Gross Sales, subject to the Existing Exclusives and Restrictions in Exhibit "C".

1.11 **Agreed Trade Name.** To be determined but shall be mutually approved by Lessor and Lessee.

1.12 **Insuring Party.** Lessee's certificate of insurance to be provided to Lessor prior to occupancy of the Premises (See also Paragraph 8).

1.13 **Real Estate Brokers.** (See also Paragraph 15)

(a) Representation: The following real estate brokers ("Brokers") and brokerage relationships exist in this transaction:

- Lessor is represented by Hall Equities Group (CA DRE #00241430), and ("Lessor's Broker").
- Lessee is not represented by a real estate broker, an agent, or any other third party.

(b) Payment to Brokers: Upon execution and delivery of this Lease by both parties and accompanied with a check from Lessee to Lessor in the amount specified as Total Due in Paragraph 1.9, Lessor shall pay the first half of the agreed upon brokerage fee per a separate written agreement. The second half of the commission shall be due upon the Commencement Date.

1.14 **Option to Renew.** Subject to Article 49, Lessee shall have one (1) option to extend the Lease term for seven (7) years under the same general terms and conditions as the initial Lease term, except that the Base Rent for said option period shall be adjusted to the prevailing market rate, as further described in Article 49, however in no case less than an eight (8%) percent increase from the previous year's rental rate. Lessee shall notify Lessor in writing at least two hundred seventy (270) days but not more than three hundred sixty-five (365) days prior to the end of the Lease term if Lessee desires to exercise its options to renew. Option rent will increase 3% annually. (See also Paragraph 49).

1.15 **Delivery Date.** Lessor projects June 1, 2020 to be the "Delivery Date."

1.16 **Guaranty.** Concurrently with the execution of this Lease, Brian Mitchell, an Individual, and Shryne Group Inc., a California corporation, jointly and severally as guarantor, shall execute no less than two (2) originals of a Guaranty of Lease (the "Guaranty") in the form of Exhibit F hereto. This Lease shall be of no force and effect unless the fully executed Guaranty is delivered to Lessor by, or on behalf of, Lessee.

1.17 **Due Diligence / Feasibility Period.** The "Due Diligence Deadline" is 5 p.m. Pacific Standard Time on the ninth (90th) day after Lessee submits its' application for Project Approvals, as further defined herein. Notwithstanding the foregoing, if on the seventy-fifth (75th) day after the Project Approval application has been submitted, and the City has not selected Lessee as an applicant to be awarded an license for its' permitted Use, then, by written notice given to Lessor no later than the eightieth (80th) day, Lessee as a matter of its sole discretion, shall have the right to

extend the Due Diligence Deadline to 5 p.m. Pacific Standard Time to one hundred twenty (120) days after the Project Approval submittal date. Upon the written request of either Party, the Parties shall confirm the actual Due Diligence Deadline from time-to-time; provided, however, the failure of the Parties to execute such confirmation, whether the same is requested or not, shall neither void this Lease nor make this Lease voidable.

1.18 **Attachments.** Attached hereto are the following, all of which constitute a part of this Lease:

- Exhibit "A" - Lease Addendum
- Exhibit "B" - Site Plan depicting the Premises
- Exhibit "C" - Rules and Regulations for the Shopping Center
- Exhibit "D" - Existing Exclusives & Restrictions
- Exhibit "E" - Sign Criteria
- Exhibit "F" - Lease Guaranty
- Exhibit "G" - Lessee Work

2. **Premises.**

2.1 **Letting.** Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor, the Premises, for the term, at the rental, and upon all of the terms, covenants and conditions set forth in this Lease. Unless otherwise provided herein, any statement of size set forth in this Lease, or that may have been used in calculating Rent, is an approximation which the Parties agree is reasonable and any payments based thereon are not subject to revision whether or not the actual size is more or less.

2.2 **Condition.** Lessor agrees to deliver the Premises in "as-is" broom clean condition (free of any debris), "Lessor's Work" within fifteen (15) business days after the date that this Lease is executed by both Lessor and Lessee, the fully executed Lease has been provided to Lessor, and Lessee has provided Lessor with all items as noted in Article 1.4 above.

Other than Lessor's Work as outlined above, Lessee accepts the Premises in its current condition "As-Is". Lessor makes no representation and no warranties as to the condition of the Premises. Notwithstanding the foregoing, (i) Lessor warrants that the HVAC, plumbing or electric system (collectively, the "Systems") servicing the Leased Premises are in good working order at the time the Leased Premises is delivered to the Lessee, and (ii) if Lessee notifies Lessor within twenty-one (21) days after the Delivery Date (the "System Deficiency Notice Deadline") regarding any deficiencies in the Systems, Lessor shall promptly repair such deficiencies at Lessor's sole cost and expense ONLY after Lessee received its' Project Approvals and waived all lease conditions, or in the event the Systems are in not good working order Lessor may terminate the Lease rather than making repairs or replacements of the Systems. Following the System Deficiency Notice Deadline, the Systems shall be deemed to have been accepted by Lessee in good working order. However, the restroom(s) and HVAC shall be delivered in their current as-is condition, and Lessee acknowledges some these systems may require improvements to restore them to working condition.

2.3 **Compliance.** Lessor warrants that the improvements on the Premises and the Common Areas comply with the building codes that were in effect at the time that each such improvement, or portion thereof, was constructed and also with all applicable laws, covenants or restrictions of record, regulations, and ordinances in effect on the Lease Execution Date ("Applicable Requirements"). Said warranty does not apply to the use to which Lessee will put the Premises or to any Alterations or Utility Installations (as defined in Paragraph 7.3(a)) made or to be made by Lessee. NOTE: Lessee is responsible for determining whether or not the Applicable Requirements, and especially the zoning, are appropriate for Lessee's intended use, and acknowledges that past uses of the Premises may no longer be allowed. If the Premises do not comply with said warranty, Lessor shall, except as otherwise provided, promptly after receipt of written notice from Lessee setting forth with specificity the nature and extent of such non-compliance, rectify the same at Lessor's expense. If Lessee does not give Lessor written notice of a non-compliance with this warranty within 6 months following the

Lease Execution Date, correction of that non-compliance shall be the obligation of Lessee at Lessee's sole cost and expense. If the Applicable Requirements are hereafter changed so as to require during the term of this Lease the construction of an addition to or an alteration of the Premises and/or Building, the remediation of any Hazardous Substance, or the reinforcement or other physical modification of the Premises and/or Building (" Capital Expenditure"), Lessor and Lessee shall allocate the cost of such work as follows:

- (a) If any Capital Expenditures are required as a result of the specific and unique use of the Premises by Lessee as compared with uses by Lessees in general, Lessee shall be fully responsible for the cost thereof. If such Capital Expenditure is not the result of the specific and unique use of the Premises by Lessee (such as, governmentally mandated seismic modifications), then Lessor shall pay for the portion of such costs. Notwithstanding the above, the provisions concerning Capital Expenditures are intended to apply only to non-voluntary, unexpected, and new Applicable Requirements. If the Capital Expenditures are instead triggered by Lessee as a result of an actual or proposed change in use, change in intensity of use, or modification to the Premises then, and in that event, Lessee shall be fully responsible for the cost thereof.

2.4 Acknowledgements. Lessee acknowledges that: (a) it has been advised by Lessor and/or Brokers to satisfy itself with respect to the condition of the Premises (including but not limited to the electrical, HVAC and fire sprinkler systems, security, environmental aspects, and compliance with Applicable Requirements and the Americans with Disabilities Act), and their suitability for Lessee's intended use, (b) Lessee has made such investigation as it deems necessary with reference to such matters and assumes all responsibility therefor as the same relate to its occupancy of the Premises, and (c) neither Lessor, Lessor's agents, nor Brokers have made any oral or written representations or warranties with respect to said matters other than as set forth in this Lease. In addition, Lessor acknowledges that: (i) Brokers have made no representations, promises or warranties concerning Lessee's ability to honor the Lease or suitability to occupy the Premises, and (ii) it is Lessor's sole responsibility to investigate the financial capability and/or suitability of all proposed Lessees.

2.5 Lessee as Prior Owner/Occupant. The warranties made by Lessor in Paragraph 2 shall be of no force or effect if immediately prior to the Lease Execution Date Lessee was the owner or occupant of the Premises. In such event, Lessee shall be responsible for any necessary corrective work.

2.6 Vehicle Parking. Lessee shall not use and shall not permit its employees to use any parking spaces in the Shopping Center except for parking by vehicles that are no larger than full-size passenger automobiles or pick-up trucks, herein called "Permitted Size Vehicles." Lessee shall permit its employees and delivery trucks to only occupy those parking spaces, if any, as depicted as "employee and delivery truck parking" spaces on the Shopping Center site plan as depicted on Exhibit "A". Lessor may regulate the loading and unloading of vehicles by adopting Rules and Regulations as provided in Paragraph 2.9. No vehicles other than operable, legally registered and Permitted Size Vehicles may be parked in the Common Area without the prior written permission of Lessor. In addition:

- (a) Lessee shall not permit or allow any vehicles that belong to or are controlled by Lessee or Lessee's employees, suppliers, shippers, contractors or invitees to be loaded, unloaded, or parked in areas other than those designated by Lessor for such activities.
- (b) Lessee shall not service or store any vehicles in the Common Areas.
- (c) If Lessee permits or allows any of the prohibited activities described in this Paragraph 2.6, then Lessor shall have the right, without notice, in addition to such other rights and remedies that it may have, to remove or tow away the vehicle involved and charge the cost to Lessee, which cost shall be immediately payable upon demand by Lessor.
- (d) Lessor reserves the right to designate employee parking areas.

Operating Expenses shall be due once Pre-approval Base Rent is due, and shall continue through the Lease Term, or earlier termination date thereof.

The Rent schedule is provided below for the Term of the Lease. Rent shall increase periodically in accordance with the following schedule, and shall be due and payable on the first of each month:

Rent schedule:

Pre-approval Base Rent	\$3,480.00 per month, + NNN
Months 1 – 12	\$7,800.00 per month, + NNN
Months 13 – 24	\$8,034.00 per month, + NNN
Months 25 – 36	\$8,275.02 per month, + NNN
Months 37 – 48	\$8,523.27 per month, + NNN
Months 49 – 60	\$8,778.97 per month, + NNN
Months 61 – 72	\$9,042.34 per month, + NNN
Months 73 – 84	\$9,313.61 per month, + NNN
Months 85 – 96	\$9,593.02 per month, + NNN
Months 97 – 108	\$9,880.81 per month, + NNN
Months 109 – 120	\$10,177.23 per month, + NNN

1.6 **Radius.** Intentionally Deleted.

1.7 **Lessee’s Share of Common Area Operating Expenses.**
2.81% (“Lessee’s Share”).

1.8 **Merchants’ Association Annual Dues.** Not Applicable.

1.9 **Rent and Other Monies to be Pre-Paid.**

- (a) Pre-approval Base Rent (\$3,480 per month) and Estimated Operating Expenses (\$1,213 per month): A total of **\$ 28,158.00** to be paid for the first six (6) months of the Project Approvals (provided Lessee is not in Default of the Lease, this amount shall be refundable on a prorata basis if Lessee terminates the Lease for any reason during the Lessee’s Due Diligence Condition, or Project Approval period), shall be due within ten (10) days after Lessee has waived Lessee’s Due Diligence Condition.
- (b) Base Rent for Month 1 of the Lease Term (\$7,800 per month) and Estimated Operating Expenses (\$1,213 per month): **\$ 9,013.00** to be applied to the first full month after the Commencement Date (provided Lessee is not in Default of the Lease this amount shall be refundable if Lessee terminates the Lease for not receiving Project Approvals, or if Lessee terminates the Lease during Due Diligence) , shall be due within ten (10) days after Lessee has waived Lessee’s Due Diligence Condition.
- (c) Security Deposit: **\$ 15,000.00**, Due upon lease execution, which shall be increased to \$25,000 upon Lessee’s receipt of Project Approvals necessary to operate Lessee’s business. With the exception of a Default by Lessee, the Security Deposit shall be returned to Lessee in the event Lessee terminates the Lease during the Project Approval period, or if Lessee terminates the Lease during Due Diligence. (See also Paragraph 5).
- (d) Total Due Upon Execution of this Lease: **\$ 15,000.00**.

1.10 **Agreed Use.** Subject to additional language provided in the Lease Addendum that is Exhibit A hereto, the Premises shall be used primarily as a retail cannabis dispensary in

2.7 Common Areas - Definition. The term “Common Areas” is defined as all areas and facilities outside the Premises and within the exterior boundary line of the Shopping Center and interior utility raceways and installations within the Premises that are provided and designated by the Lessor from time to time for the general non-exclusive use of Lessor, Lessee and other Lessees of the Shopping Center and their respective employees, suppliers, shippers, customers, contractors and invitees, including parking areas, loading and unloading areas, trash areas, roadways, walkways, driveways and landscaped areas.

2.8 Common Areas - Lessee’s Rights. Lessor grants to Lessee, for the benefit of Lessee and its employees, suppliers, shippers, contractors, customers and invitees, during the term of this Lease, the non-exclusive right to use, in common with others entitled to such use, the Common Areas as they exist from time to time, subject to any rights, powers, and privileges reserved by Lessor under the terms hereof or under the terms of any rules and regulations or restrictions governing the use of the Shopping Center. Under no circumstances shall the right herein granted to use the Common Areas be deemed to include the right to store any property, temporarily or permanently, in the Common Areas, nor the right to display merchandise or conduct sales in the Common Areas. Any such storage, display or sales shall be permitted only by the prior written consent of Lessor or Lessor’s designated agent, as exercised in Lessor’s sole discretion, which consent may be revoked at any time. In the event that any unauthorized storage or displays shall occur then Lessor shall have the right, without notice, in addition to such other rights and remedies that it may have, to remove the property and charge the cost to Lessee, which cost shall be immediately payable upon demand by Lessor.

2.9 Common Areas - Rules and Regulations. Lessor or such other person(s) as Lessor may appoint shall have the exclusive control and management of the Common Areas and shall have the right, from time to time, to establish, modify, amend and enforce reasonable rules and regulations (“Rules and Regulations”) for the management, safety, care, and cleanliness of the grounds, the parking and unloading of vehicles and the preservation of good order, as well as for the convenience of other occupants or Lessees of the Building and the Shopping Center and their invitees. Lessee agrees to abide by and conform to all such Rules and Regulations, and to cause its employees, suppliers, shippers, customers, contractors and invitees to so abide and conform. Lessor shall not be responsible to Lessee for the non-compliance with said Rules and Regulations by other Lessees of the Project.

2.10 Common Areas - Changes. Lessor shall have the right, in Lessor’s sole discretion, from time to time:

- (a) To make changes or additions to the Common Areas, including, without limitation, changes in the location, size, shape and number of driveways, entrances, parking spaces, parking areas, loading and unloading areas, ingress, egress, direction of traffic, elevations, landscaped areas, signage, walkways and utility raceways;
- (b) To use and close temporarily any of the Common Areas for the purpose of maintaining, repairing and altering the Shopping Center, so long as reasonable access to the Premises remains available, and to close temporarily any of the Common Areas to whatever extent is required in the opinion of Lessor’s counsel to prevent a dedication of or the accrual of any rights of any persons or of the public to any of the Common Areas;
- (c) To designate other land outside the boundaries of the Shopping Center to be a part of the Common Areas or to be entitled to use the Common Areas on a reciprocal basis;
- (d) To add additional buildings and improvements to the Common Areas; and
- (e) To do and perform such other acts and make such other changes in, to or with respect to the Common Areas and Shopping Center as Lessor may, in the exercise of sound business judgment, deem to be appropriate.

2.11 Common Areas - Promotional Events; Sidewalk Sales. Lessor reserves the right, from time to time, in Lessor’s sole discretion, to utilize portions of the Common Areas for promotional events,

which may include but shall not be limited to entertainment. Lessor further reserves the right, in Lessor's sole discretion, to permit any one or more Lessees of the Shopping Center to conduct the display and/or sale of merchandise from the sidewalks immediately adjacent to such Lessees' respective premises. Lessee is prohibited from displaying merchandise and/or sale of merchandise from the sidewalks immediately adjacent to or in front of Lessees Demised Premises.

2.12 **Common Areas - Remodeling.** At any time during the Term, Lessor may remodel or expand, in any manner, the existing Shopping Center, which work may include, without limitation, the addition of shops and/or new buildings to the Shopping Center (collectively, "Remodeled Center"). If Lessor deems it necessary for construction personnel to enter the Premises in order to construct the Remodeled Center, Lessor shall give Lessee no less than 60 days prior notice and Lessee shall allow such entry. Lessor shall use reasonable efforts to complete any work affecting the Premises in an efficient manner so as not to interfere unreasonably with Lessee's business. Lessee shall not be entitled to any damages for any inconvenience or any disruption to Lessee's business caused by such work; provided, however, the Base Rent paid by Lessee for the period of the inconvenience shall be abated in proportion to the degree that Lessee's use of the Premises is impaired. Lessor shall have the right to use portions of the Premises to accommodate any structures required for the Remodeled Center, provided that if as a result thereof there is a permanent decrease in the floor area of the Premises of 3% or more, there shall be a proportionate downward adjustment of Base Rent and Lessee's Share.

3. **Term.**

3.1 **Term.** The Commencement Date, Expiration Date, and Original Term of this Lease are as specified in Paragraph 1.3.

3.2 **Early Possession.** See Article 1.4.

3.3 **Delay In Possession.** Lessee is accepting delivery of the Premises in a "As-Is" condition.

3.4 **Lessee Compliance.** Lessor shall not be required to tender possession of the Premises to Lessee until Lessee complies with its obligation to provide evidence of insurance (Paragraph 8.5). Pending delivery of such evidence, Lessee shall be required to perform all of its obligations under this Lease from and after the Commencement Date, including the payment of Rent, notwithstanding Lessor's election to withhold possession pending receipt of such evidence of insurance. Further, if Lessee is required to perform any other conditions prior to or concurrent with the Commencement Date, the Commencement Date shall occur but Lessor may elect to withhold possession until such conditions are satisfied.

3.5 **Intentionally Deleted.**

3.6 **Covenant to Open and Failure to Open and Operate.** Lessee covenants to open for business in the Premises as a fully stocked and staffed retail cannabis dispensary (per Article 1.10) under the Trade Name to be determined, but mutually acceptable to Lessor and Lessee, operating in a first class manner comparable with all of Lessee's other retail cannabis dispensaries within one hundred fifty (150) days after the Commencement Date (the "Opening Deadline"). After Lessee opens, Lessee shall operate continuously during normal retail hours; however, (i) any operation by Lessee shall comply with the terms and conditions of this Lease and (ii) Lessee's failure to operate may have the consequences described in this Article 3.6. Notwithstanding any other provision of this Lease, if:

- (a) Lessee fails to open a fully stocked and staffed retail cannabis dispensary in the Premises by the Opening Deadline; or

- (b) After Lessee opens for business for the Permitted Use, Lessee fails to operate a business operation permitted by the terms hereof for a period of one hundred (120) consecutive days and such cessation of operation is not due to force majeure, casualty, or remodeling,

Lessor, by written notice (in this Article 3.6, also the “Termination Notice”) given at any time before Lessee commences or recommences (as the case may be) any such permitted business operations in the Premises (and as a matter of Lessor's sole and absolute discretion), shall have the right, but not the obligation, to terminate this Lease and recapture the Premises. If Lessor gives the Termination Notice, this Lease shall terminate at 11:59 p.m. Pacific Time on the day specified in the Termination Notice (which day shall not be later than ninety (90) days after Lessee’s receipt of the Termination Notice). Pending such termination, Lessee shall pay the Rent reserved hereby and Lessee shall discharge its obligations as the same come due hereunder. If this Lease is terminated pursuant to this Article 3.6, the Parties shall have no further obligations under this Lease, except for the Surviving Obligations.

The Lessee shall be open a minimum of Monday through Friday from 10:00am thorough 6:00pm, and on Saturday and Sunday by appointment, consistent with the Lessees’ other location (if any).

4. **Rent.**

4.1 **Rent Defined.** All monetary obligations of Lessee to Lessor under the terms of this Lease (except for the Security Deposit) are deemed to be rent (“Rent”).

4.2 **Common Area Operating Expenses.** Lessee shall pay to Lessor during the term hereof, in addition to the Base Rent and, if applicable, Percentage Rent, Lessee’s Share (as specified in Paragraph 1.7) of all Common Area Operating Expenses (which may also be referred to as “NNN”), as hereinafter defined, during each calendar year of the term of this Lease, in accordance with the following provisions:

(a) “Common Area Operating Expenses” are defined, for purposes of this Lease, as all costs incurred by Lessor relating to the ownership and operation of the Shopping Center, including, but not limited to, the following:

- (i) The operation, repair and maintenance, in neat, clean, good order and condition, and replacement as reasonably necessary, of the following:
 - (aa) The Common Areas and Common Area improvements, including parking areas, loading and unloading areas, trash areas, roadways, parkways, walkways, driveways, landscaped areas, parking lot striping, bumpers, irrigation systems, Common Area lighting facilities, fences and gates, elevators, roofs, and roof drainage systems. (bb) Exterior signs and any Lessee directories. (cc) Any fire detection and/or sprinkler systems. (dd) Common electrical, plumbing and other utilities servicing any building in the Shopping Center and/or the Common Areas.
- (ii) The cost of water, gas, electricity and telephone to service the Common Areas and any utilities not separately metered.
- (iii) Trash disposal, pest control services, property management (including, but not be limited to, a property management fee equal to 4% of Base Rent and Percentage Rent), security services, and the costs of any environmental inspections.
- (iv) Reserves set aside for equipment, maintenance, repair and replacement of Common Areas.
- (v) Real Property Taxes (as defined in Paragraph 10).
- (vi) The cost of the premiums for the insurance maintained by Lessor pursuant to Paragraph 8.

- (vii) Any deductible portion of an insured loss concerning the Building or the Common Areas.
 - (viii) Auditors', accountants' and attorneys' fees and costs related to the operation of the Shopping Center.
 - (ix) The cost of any Capital Expenditure to the Building or the Shopping Center not covered under the provisions of Paragraph 2.3; provided, however, that Lessor shall allocate the cost of any such Capital Expenditure over a 12 year period its useful life and Lessee shall not be required to pay more than Lessee's Share of 1/144th of the amortized cost of such Capital Expenditure in any given month.
 - (x) Any other services to be provided by Lessor that are stated elsewhere in this Lease to be a Common Area Operating Expense.
 - (xi) The cost of exterior painting, graffiti removal, Common Area janitorial, outdoor music, Common Area plumbing, sweeping, steam cleaning, and reasonable holiday décor and security.
 - (xii) The cost of water used by Lessee in the Premises.
- (b) If Lessor determines that the method of proration of any item included within Common Area Operating Expenses, including additional security or, in Lessor's reasonable discretion, extraordinary sweeping, trash pickup, and/or cleanup services required due to Lessee's use of the Premises, is inequitable, Lessor may prorate such item on the basis of usage or other equitable considerations, in Lessor's sole discretion. Any Common Area Operating Expenses and Real Property Taxes that are specifically attributable to the Premises, the Building or to any other premises or building in the Shopping Center or to the operation, repair and maintenance thereof shall be allocated entirely to such premises or building. However, any Common Area Operating Expenses and Real Property Taxes that are not specifically attributable to any premises or building or to the operation, repair and maintenance thereof shall be equitably allocated by Lessor to all buildings in the Shopping Center.
- (c) The inclusion of the improvements, facilities and services set forth in Subparagraph 4.2(a) shall not be deemed to impose an obligation upon Lessor to either have said improvements or facilities or to provide those services unless the Shopping Center already has the same, Lessor already provides the services, or Lessor has agreed elsewhere in this Lease to provide the same or some of them.
- (e) Lessee's Share of Common Area Operating Expenses shall be payable by Lessee within 10 days after a reasonably detailed statement of actual expenses is presented to Lessee. At Lessor's option, however, an amount may be estimated by Lessor from time to time of Lessee's Share of annual Common Area Operating Expenses and the same shall be payable monthly or quarterly, as Lessor shall designate, during each 12 month period of the Lease term, on the same day as the Base Rent is due hereunder. Lessor shall deliver to Lessee within 90 days after the expiration of each calendar year a reasonably detailed statement showing Lessee's Share of the actual Common Area Operating Expenses incurred during the preceding year. If Lessee's payments under this Paragraph 4.2(d) during the preceding year exceed Lessee's Share as indicated on such statement, Lessor shall credit the amount of such over-payment against Lessee's Share of Common Area Operating Expenses next becoming due. If Lessee's payments under this Paragraph 4.2(d) during the preceding year were less than Lessee's Share as indicated on such statement, Lessee shall pay to Lessor the amount of the deficiency within 10 days after delivery by Lessor to Lessee of the statement.
- (f) If there are one or more Major Lessees (as hereinafter defined) within the Shopping Center, then at Lessor's sole option, the amount to be reimbursed by such Major Lessees to Lessor for all or a portion of the Common Area Operating Expenses may be determined by alternative equitable methods (e.g., a Major Lessee may pay directly for

its own security), and the actual amount paid by such Major Lessees shall be credited against the Common Area Operating Expenses allocated to other Lessees of the Shopping Center; provided, however, that in such event the rentable area of the buildings leased to such Major Lessees shall be excluded from the rentable area of the Shopping Center for purposes of determining Lessee's Share of Common Area Operating Expenses for those specific items, notwithstanding the percentage set forth in Paragraph 1.7. As used herein, the term "Major Lessee" shall mean a Lessee leasing at least 6,000 square feet of rentable area within the Shopping Center.

4.3 **Payment.** Lessee shall cause payment of Rent to be received by Lessor in lawful money of the United States, without offset or deduction (except as specifically permitted in this Lease), on or before the first of each month of the Term. Rent for any period during the term hereof which is for less than one full calendar month shall be prorated based upon the actual number of days of said month. Payment of Rent shall be made to Lessor at its address stated herein or to such other persons or place as Lessor may from time to time designate in writing. Acceptance of a payment which is less than the amount then due shall not be a waiver of Lessor's rights to the balance of such Rent, regardless of Lessor's endorsement of any check so stating. In the event that any check, draft, or other instrument of payment given by Lessee to Lessor is dishonored for any reason, Lessee agrees to pay to Lessor the sum of \$25 in addition to any late charges and bank fees which may be due.

5. **Security Deposit.**

5.1. Lessee shall deposit with Lessor upon execution hereof the Security Deposit as security for Lessee's faithful performance of its obligations under this Lease. If Lessee fails to pay Rent, or otherwise Defaults under this Lease, Lessor may use, apply or retain all or any portion of said Security Deposit for the payment of any amount due Lessor or to reimburse or compensate Lessor for any liability, expense, loss or damage which Lessor may suffer or incur by reason thereof. If Lessor uses or applies all or any portion of the Security Deposit, Lessee shall within 10 days after written request therefor deposit monies with Lessor sufficient to restore said Security Deposit to the full amount required by this Lease. If the Base Rent increases during the term of this Lease, Lessee shall, upon written request from Lessor, deposit additional monies with Lessor so that the total amount of the Security Deposit shall at all times bear the same proportion to the increased Base Rent as the initial Security Deposit bore to the initial Base Rent. Should the Agreed Use be amended to accommodate a material change in the business of Lessee or to accommodate a sublessee or assignee, Lessor shall have the right to increase the Security Deposit to the extent necessary, in Lessor's reasonable judgment, to account for any increased wear and tear that the Premises may suffer as a result thereof. If a change in control of Lessee occurs during this Lease and following such change the financial condition of Lessee is, in Lessor's reasonable judgment, significantly reduced, Lessee shall deposit such additional monies with Lessor as shall be sufficient to cause the Security Deposit to be at a commercially reasonable level based on such change in financial condition. Lessor shall not be required to keep the Security Deposit separate from its general accounts. Within 14 days after the expiration or termination of this Lease, if Lessor elects to apply the Security Deposit only to unpaid Rent, and otherwise within 30 days after the Premises have been vacated pursuant to Paragraph 7.4(c) below, Lessor shall return that portion of the Security Deposit not used or applied by Lessor. No part of the Security Deposit shall be considered to be held in trust, to bear interest or to be prepayment for any monies to be paid by Lessee under this Lease. Lessee grants to Lessor a Uniform Commercial Code Security Interest in the Security Deposit and agrees that, in addition to all other rights and remedies available to Lessor under applicable law, Lessor has all of the rights of a secured party under the California Commercial Code with respect to the Security Deposit, including, but not limited to, the right to make all filings necessary or appropriate to perfect or renew such security interest and Lessee shall promptly execute all reasonable instruments requested in writing by Lessor in connection therewith. Lessee hereby waives the provisions of California Civil Code Section 1950.7.

6. **Agreed Use; Agreed Trade Name.** The Premises shall be used primarily retail cannabis dispensary the Trade Name to be determined (see Lease Addendum, Exhibit A). Incidental sales (see Article 1.10) shall be defined as 10% or less of Lessee's Gross Sales, subject to the Existing Exclusives and Restrictions in Exhibit "C".

- (a) **Violations of Exclusive Use Rights.** Lessee acknowledges that Lessor may grant, or may have previously granted, exclusive use rights, attached hereto as Exhibit "C", to other Lessees of the Shopping Center and agrees that a material consideration to Lessor in entering into this Lease is Lessee's covenant to limit its use of the Premises to the Agreed Use under the Agreed Trade Name as set forth above. Lessee's violation of exclusive use rights granted to other Lessees of the Shopping Center will result in Lessor suffering irreparable harm and, therefore, in addition to all other rights and remedies available to Lessor, Lessor may seek to enjoin Lessee's breach of such covenant and Lessee shall be liable for any damages incurred or sustained by Lessor to such other Lessees whose exclusive use rights are breached by Lessee. In no event shall Lessor be liable to Lessee for any failure of any other Lessees of the Shopping Center to operate their businesses, or for any loss or damage that may be occasioned by or through the acts or omissions of other Lessees or third parties.
- (b) **Other Tenancies.** Lessor, at its sole discretion, reserves the absolute right to establish procedures to control other tenancies in the Shopping Center. Regardless of whether any specific Lessees are shown on any site plan attached hereto, Lessee does not rely on that fact, nor does Lessor represent that any specific Lessee or number or type of Lessees shall or shall not during the Term occupy any portion of the Shopping Center, nor does Lessee rely on any other Lessee operating its business in the Shopping Center at any particular time or times. Further, no conduct by any Lessee, sublessee or other occupant of, or any customer of, or any supplier to or use of any portion of the Shopping Center shall constitute an eviction, constructive or otherwise, of Lessee from the Premises, and Lessee hereby waives any and all claims that it might otherwise have against Lessor by reason thereof.

6.2 **Hazardous Substances.**

- (a) **Reportable Uses Require Consent.** The term "Hazardous Substance" as used in this Lease shall mean any product, substance, or waste whose presence, use, manufacture, disposal, transportation, or release, either by itself or in combination with other materials expected to be on the Premises, is either: (i) potentially injurious to the public health, safety or welfare, the environment or the Premises, (ii) regulated or monitored by any governmental authority, or (iii) a basis for potential liability of Lessor to any governmental agency or third party under any applicable statute or common law theory. Hazardous Substances shall include, but not be limited to, hydrocarbons, petroleum, gasoline, and/or crude oil or any products, by-products or fractions thereof. Lessee shall not engage in any activity in or on the Premises which constitutes a Reportable Use of Hazardous Substances without the express prior written consent of Lessor and timely compliance (at Lessee's expense) with all Applicable Requirements. "Reportable Use" shall mean (i) the installation or use of any above or below ground storage tank, (ii) the generation, possession, storage, use, transportation, or disposal of a Hazardous Substance that requires a permit from, or with respect to which a report, notice, registration or business plan is required to be filed with, any governmental authority, and/or (iii) the presence at the Premises of a Hazardous Substance with respect to which any Applicable Requirements requires that a notice be given to persons entering or occupying the Premises or neighboring properties. Notwithstanding the foregoing, Lessee may use any

ordinary and customary materials reasonably required to be used in the normal course of the Agreed Use, so long as such use is in compliance with all Applicable Requirements, is not a Reportable Use, and does not expose the Premises or neighboring property to any meaningful risk of contamination or damage or expose Lessor to any liability therefor. In addition, Lessor may condition its consent to any Reportable Use upon receiving such additional assurances as Lessor reasonably deems necessary to protect itself, the public, the Premises and/or the environment against damage, contamination, injury and/or liability, including, but not limited to, the installation (and removal on or before Lease expiration or termination) of protective modifications (such as concrete encasements) and/or increasing the Security Deposit.

If Lessee knows, or has reasonable cause to believe, that a Hazardous Substance has come to be located in, on, under or about the Premises, other than as previously consented to by Lessor, Lessee shall immediately give written notice of such fact to Lessor, and provide Lessor with a copy of any report, notice, claim or other documentation which it has concerning the presence of such Hazardous Substance.

(c) **Lessee Remediation.** Lessee shall not cause or permit any Hazardous Substance to be spilled or released in, on, under, or about the Premises (including through the plumbing or sanitary sewer system) and shall promptly, at Lessee's expense, take all investigatory and/or remedial action reasonably recommended, whether or not formally ordered or required, for the cleanup of any contamination of, and for the maintenance, security and/or monitoring of the Premises or neighboring properties, that was caused or materially contributed to by Lessee, or pertaining to or involving any Hazardous Substance brought onto the Premises during the term of this Lease, by or for Lessee, or any third party.

(d) **Lessee Indemnification.** Lessee shall indemnify, defend and hold Lessor, its agents, employees, lenders and ground lessor, if any, harmless from and against any and all loss of rents and/or damages, liabilities, judgments, claims, expenses, penalties, and attorneys' and consultants' fees arising out of or involving any Hazardous Substance brought onto the Premises by or for Lessee, or any third party (provided, however, that Lessee shall have no liability under this Lease with respect to underground migration of any Hazardous Substance under the Premises from areas outside of the Shopping Center). Lessee's obligations shall include, but not be limited to, the effects of any contamination or injury to person, property or the environment created or suffered by Lessee, and the cost of investigation, removal, remediation, restoration and/or abatement, and shall survive the expiration or termination of this Lease. No termination, cancellation or release agreement entered into by Lessor and Lessee shall release Lessee from its obligations under this Lease with respect to Hazardous Substances, unless specifically so agreed by Lessor in writing at the time of such agreement.

(e) **Lessor Indemnification.** Lessor and its successors and assigns shall indemnify, defend, reimburse and hold Lessee, its employees and lenders, harmless from and against any and all environmental damages, including the cost of remediation, which existed as a result of Hazardous Substances on the Premises prior to the Commencement Date or which are caused by the gross negligence or willful misconduct of Lessor, its agents or employees. Lessor's obligations, as and when required by the Applicable Requirements, shall include, but not be limited to, the cost of investigation, removal, remediation, restoration and/or abatement, and shall survive the expiration or termination of this Lease.

(f) **Investigations and Remediations.** Lessor shall retain the responsibility and pay for any investigations or remediation measures required by governmental entities having jurisdiction with respect to the existence of Hazardous Substances on the Premises prior to the Commencement Date, unless such remediation measure is required as a result of Lessee's use (including "Alterations", as defined in paragraph 7.3(a) below) of the Premises, in which event

Lessee shall be responsible for such payment. Lessee shall cooperate fully in any such activities at the request of Lessor, including allowing Lessor and Lessor's agents to have reasonable access to the Premises at reasonable times in order to carry out Lessor's investigative and remedial responsibilities.

(g) **Lessor Termination Option.** If a Hazardous Substance Condition (see Paragraph 9.1(e)) occurs during the term of this Lease, unless Lessee is legally responsible therefor (in which case Lessee shall make the investigation and remediation thereof required by the Applicable Requirements and this Lease shall continue in full force and effect, but subject to Lessor's rights under Paragraph 6.2(d) and Paragraph 13), Lessor may, at Lessor's option, either (i) investigate and remediate such Hazardous Substance Condition, if required, as soon as reasonably possible at Lessor's expense, in which event this Lease shall continue in full force and effect, or (ii) if the estimated cost to remediate such condition exceeds 12 times the then monthly Base Rent or \$100,000, whichever is greater, give written notice to Lessee, within 30 days after receipt by Lessor of knowledge of the occurrence of such Hazardous Substance Condition, of Lessor's desire to terminate this Lease as of the date 60 days following the date of such notice. In the event Lessor elects to give a termination notice, Lessee may, within 10 days thereafter, give written notice to Lessor of Lessee's commitment to pay the amount by which the cost of the remediation of such Hazardous Substance Condition exceeds an amount equal to 12 times the then monthly Base Rent or \$100,000, whichever is greater. Lessee shall provide Lessor with said funds or satisfactory assurance thereof within 30 days following such commitment. In such event, this Lease shall continue in full force and effect, and Lessor shall proceed to make such remediation as soon as reasonably possible after the required funds are available. If Lessee does not give such notice and provide the required funds or assurance thereof within the time provided, this Lease shall terminate as of the date specified in Lessor's notice of termination.

6.3 **Lessee's Compliance with Applicable Requirements.** Except as otherwise provided in this Lease, Lessee shall, at Lessee's sole expense, fully, diligently and in a timely manner, materially comply with all Applicable Requirements, the requirements of any applicable fire insurance underwriter or rating bureau, and the recommendations of Lessor's engineers and/or consultants which relate in any manner to the Premises, without regard to whether said requirements are now in effect or become effective after the Commencement Date. Lessee shall, within 10 days after receipt of Lessor's written request, provide Lessor with copies of all permits and other documents, and other information evidencing Lessee's compliance with any Applicable Requirements specified by Lessor, and shall immediately upon receipt, notify Lessor in writing (with copies of any documents involved) of any threatened or actual claim, notice, citation, warning, complaint or report pertaining to or involving the failure of Lessee or the Premises to comply with any Applicable Requirements. Lessee's failure to comply with any governmental notices or citations within the time periods contained in such notices shall constitute a material breach of the Lease. In such event, Lessor may, at its option, terminate the Lease and incur no liability therefrom.

6.4 **Inspection; Compliance.** Lessor and Lessor's "Lender" (as defined in Paragraph 30) and consultants shall have the right to enter into Premises at any time, in the case of an emergency, and otherwise at reasonable times, for the purpose of inspecting the condition of the Premises and for verifying compliance by Lessee with this Lease. The cost of any such inspections shall be paid by Lessor, unless a violation of Applicable Requirements, or a contamination is found to exist or be imminent, or the inspection is requested or ordered by a governmental authority. In such case, Lessee shall upon request reimburse Lessor for the cost of such inspection, so long as such inspection is reasonably related to the violation or contamination.

7. Maintenance; Repairs, Utility Installations; Trade Fixtures and Alterations.

7.1 Lessee's Obligations.

- (a) In General. Subject to the provisions of Paragraph 2.2 (Condition), 2.3 (Compliance), 6.3 (Lessee's Compliance with Applicable Requirements), 7.2 (Lessor's Obligations), 9 (Damage or Destruction), and 14 (Condemnation), Lessee shall, at Lessee's sole expense, keep the Premises, Utility Installations (intended for Lessee's exclusive use, no matter where located), and Alterations in good order, condition and repair (whether or not the portion of the Premises requiring repairs, or the means of repairing the same, are reasonably or readily accessible to Lessee, and whether or not the need for such repairs occurs as a result of Lessee's use, any prior use, the elements or the age of such portion of the Premises), including, but not limited to, all equipment or facilities, such as plumbing, HVAC equipment, electrical, lighting facilities, boilers, pressure vessels, fixtures, interior walls, interior surfaces of exterior walls, ceilings, floors, windows, doors, plate glass, and skylights but excluding any items which are the responsibility of Lessor pursuant to Paragraph 7.2. Lessee, in keeping the Premises in good order, condition and repair, shall exercise and perform good maintenance practices, specifically including the procurement and maintenance of the service contracts required by Paragraph 7.1(b) below. Lessee's obligations shall include restorations, replacements or renewals when necessary to keep the Premises and all improvements thereon or a part thereof in good order, condition and state of repair.
- (b) **Service Contracts.** Lessee shall, at Lessee's sole expense, procure and maintain contracts, with copies to Lessor, in customary form and substance for, and with contractors specializing and experienced in the maintenance of the following equipment and improvements, if any, if and when installed on the Premises: (i) HVAC equipment, (ii) boiler and pressure vessels, (iii) clarifiers, and (iv) any other equipment, if reasonably required by Lessor. However, Lessor reserves the right, upon notice to Lessee, to procure and maintain any or all of such service contracts, and if Lessor so elects, Lessee shall reimburse Lessor, upon demand, for the cost thereof.
- (c) **Failure to Perform.** If Lessee fails to perform Lessee's obligations under this Paragraph 7.1, Lessor may enter upon the Premises after 10 days' prior written notice to Lessee (except in the case of an emergency, in which case no notice shall be required), perform such obligations on Lessee's behalf, and put the Premises in good order, condition and repair, and Lessee shall promptly reimburse Lessor for the cost thereof.
- (d) **Replacement.** Subject to Lessee's indemnification of Lessor as set forth in Paragraph 8.7 below, and without relieving Lessee of liability resulting from Lessee's failure to exercise and perform good maintenance practices, if an item described in Paragraph 7.1(b) cannot be repaired other than at a cost which is in excess of 50% of the cost of replacing such item, then such item shall be replaced by Lessor, and the cost thereof shall be prorated between the Parties and Lessee shall only be obligated to pay, each month during the remainder of the term of this Lease, on the date on which Base Rent is due, an amount equal to the product of multiplying the cost of such replacement by a fraction, the numerator of which is one, and the denominator of which is 144 (i.e. 1/144th of the cost per month). Lessee shall pay interest on the unamortized balance at a rate that is commercially reasonable in the judgment of Lessor's accountants. Lessee may, however, prepay its obligation at any time.

7.2 Lessor's Obligations. Subject to the provisions of Paragraphs 2.2 (Condition), 2.3 (Compliance), 4.2 (Common Area Operating Expenses), 6 (Use), 7.1 (Lessee's Obligations), 9 (Damage or Destruction) and 14 (Condemnation), Lessor, subject to reimbursement pursuant to Paragraph 4.2, shall keep in good order, condition and repair the foundations, exterior walls, structural condition of interior bearing walls, exterior roof, fire sprinkler system, Common Area fire alarm and/or smoke detection systems, fire hydrants, parking lots, walkways, parkways, driveways,

landscaping, fences, signs and utility systems serving the Common Areas and all parts thereof, as well as providing the services for which there is a Common Area Operating Expense pursuant to Paragraph 4.2. Lessor shall not be obligated to paint the exterior or interior surfaces of exterior walls nor shall Lessor be obligated to maintain, repair or replace windows, doors or plate glass of the Premises. Lessee expressly waives the benefit of any statute now or hereafter in effect to the extent it is inconsistent with the terms of this Lease.

7.3 Utility Installations; Trade Fixtures; Alterations.

- (a) **Definitions.** The term “Utility Installations” refers to all floor and window coverings, air lines, power panels, electrical distribution, security and fire protection systems, communication systems, lighting fixtures, HVAC equipment, plumbing, and fencing in or on the Premises. The term “Trade Fixtures” shall mean Lessee’s machinery and equipment that can be removed without doing material damage to the Premises. The term “Alterations” shall mean any modification of the improvements, other than Utility Installations or Trade Fixtures, whether by addition or deletion. “Lessee Owned Alterations and/or Utility Installations” are defined as Alterations and/or Utility Installations made by Lessee that are not yet owned by Lessor pursuant to Paragraph 7.4(a).
- (b) **Consent.** Lessee shall not make any Alterations or Utility Installations to the Premises without Lessor’s prior written consent. Lessee may, however, a) add a window to the storefront and b) make non-structural Utility Installations to the interior of the Premises (excluding the roof) without such consent but upon notice to Lessor, as long as they are not visible from the outside, do not involve puncturing, relocating or removing the roof or any existing walls, and the cumulative cost thereof during this Lease as extended does not exceed a sum equal to 3 month’s Base Rent in the aggregate or a sum equal to one month’s Base Rent in any one year. Notwithstanding the foregoing, Lessee shall not make or permit any roof penetrations and/or install anything on the roof without the prior written approval of Lessor. Lessor may, as a precondition to granting such approval, require Lessee to utilize a contractor chosen and/or approved by Lessor. Any Alterations or Utility Installations that Lessee shall desire to make and which require the consent of the Lessor shall be presented to Lessor in written form with detailed plans. Consent shall be deemed conditioned upon Lessee’s: (i) acquiring all applicable governmental permits, (ii) furnishing Lessor with copies of both the permits and the plans and specifications prior to commencement of the work, and (iii) compliance with all conditions of said permits and other Applicable Requirements in a prompt and expeditious manner. Any Alterations or Utility Installations shall be performed in a workmanlike manner with good and sufficient materials. Lessee shall promptly upon completion furnish Lessor with as-built plans and specifications. For work which costs an amount in excess of one month’s Base Rent, Lessor may condition its consent upon Lessee providing a lien and completion bond in an amount equal to 150% of the estimated cost of such Alteration or Utility Installation and/or upon Lessee’s posting an additional Security Deposit with Lessor.
- (c) **Indemnification.** Lessee shall pay, when due, all claims for labor or materials furnished or alleged to have been furnished to or for Lessee at or for use on the Premises, which claims are or may be secured by any mechanic’s or materialman’s lien against the Premises or any interest therein. Lessee shall give Lessor not less than 10 days notice prior to the commencement of any work in, on or about the Premises, and Lessor shall have the right to post notices of non-responsibility. If Lessee shall contest the validity of any such lien, claim or demand, then Lessee shall, at its sole expense defend and protect itself, Lessor and the Premises against the same and shall pay and satisfy any such adverse judgment that may be rendered thereon before the enforcement thereof. If Lessor shall require, Lessee shall furnish a surety bond in an amount equal to 150% of the amount of such contested lien, claim or demand, indemnifying Lessor against

liability for the same. If Lessor elects to participate in any such action, Lessee shall pay Lessor's attorneys' fees and costs.

7.4 Ownership; Removal; Surrender; and Restoration.

- (a) **Ownership.** Subject to Lessor's right to require removal or elect ownership as hereinafter provided, all Alterations and Utility Installations made by Lessee shall be the property of Lessee, but considered a part of the Premises. Lessor may, at any time, elect in writing to be the owner of all or any specified part of the Lessee Owned Alterations and Utility Installations. Unless otherwise instructed per Paragraph 7.4(b) hereof, all Lessee Owned Alterations and Utility Installations shall, at the expiration or termination of this Lease, become the property of Lessor and be surrendered by Lessee with the Premises.
- (b) **Removal.** By delivery to Lessee of written notice from Lessor not earlier than 90 and not later than 30 days prior to the end of the term of this Lease, Lessor may require that any or all Lessee Owned Alterations or Utility Installations be removed by the expiration or termination of this Lease. Lessor may require the removal at any time of all or any part of any Lessee Owned Alterations or Utility Installations made without the required consent.
- (c) **Surrender; Restoration.** Lessee shall surrender the Premises by the Expiration Date or any earlier termination date, with all of the improvements, parts and surfaces thereof broom clean and free of debris, and in good operating order, condition and state of repair, ordinary wear and tear excepted. "Ordinary wear and tear" shall not include any damage or deterioration that would have been prevented by good maintenance practice. Notwithstanding the foregoing, if this Lease is for 12 months or less, then Lessee shall surrender the Premises in the same condition as delivered to Lessee on the Commencement Date with NO allowance for ordinary wear and tear. Lessee shall repair any damage occasioned by the installation, maintenance or removal of Trade Fixtures, Lessee Owned Alterations and/or Utility Installations, furnishings, and equipment as well as the removal of any storage tank installed by or for Lessee. Lessee shall also completely remove from the Premises any and all Hazardous Substances brought onto the Premises by or for Lessee, or any third party (except Hazardous Substances which were deposited via underground migration from areas outside of the Premises), even if such removal would require Lessee to perform or pay for work that exceeds statutory requirements. Trade Fixtures shall remain the property of Lessee and shall be removed by Lessee. The failure by Lessee to timely vacate the Premises pursuant to this Paragraph 7.4(c) without the express written consent of Lessor shall constitute a holdover under the provisions of Paragraph 26 below.

8. Insurance; Indemnity.

8.1 **Payment of Premiums.** The cost of the premiums for the insurance policies required to be carried by Lessor, pursuant to Paragraphs 8.2(b), 8.3(a) and 8.3(b), shall be a Common Area Operating Expense. Premiums for policy periods commencing prior to, or extending beyond, the term of this Lease shall be prorated to coincide with the corresponding Commencement Date or Termination Date.

8.2 Liability Insurance.

- (a) **Carried by Lessee.** Lessee shall obtain and keep in force a Commercial General Liability policy of insurance protecting Lessee and Lessor as an additional insured against claims for bodily injury, personal injury and property damage based upon or arising out of the ownership, use, occupancy or maintenance of the Premises and all

areas appurtenant thereto. Such insurance shall be on an occurrence basis providing single limit coverage in an amount not less than \$1,000,000 per occurrence with an annual aggregate of not less than \$2,000,000, an "Additional Insured-Managers or Lessor's of Premises Endorsement", Liquor Liability Insurance, and contain the "Amendment of the Pollution Exclusion Endorsement" for damage caused by heat, smoke or fumes from a hostile fire. The policy shall not contain any intra-insured exclusions as between insured persons or organizations, but shall include coverage for liability assumed under this Lease as an "insured contract" for the performance of Lessee's indemnity obligations under this Lease. The limits of said insurance shall not, however, limit the liability of Lessee nor relieve Lessee of any obligation hereunder. All insurance carried by Lessee shall be primary to and not contributory with any similar insurance carried by Lessor, whose insurance shall be considered excess insurance only.

- (b) **Carried by Lessor.** Lessor shall maintain liability insurance as described in Paragraph 8.2(a), in addition to, and not in lieu of, the insurance required to be maintained by Lessee. Lessee shall not be named as an additional insured therein.

8.3 Property Insurance - Building, Improvements and Rental Value.

- (a) **Building and Improvements.** Lessor shall obtain and keep in force a policy or policies of insurance in the name of Lessor, with loss payable to Lessor, any ground-lessor, and to any Lender insuring loss or damage to the Premises. The amount of such insurance shall be equal to the full replacement cost of the Premises, as the same shall exist from time to time, or the amount required by any Lender, but in no event more than the commercially reasonable and available insurable value thereof. Lessee Owned Alterations and Utility Installations, Trade Fixtures, and Lessee's personal property shall be insured by Lessee under Paragraph 8.4. If the coverage is available and commercially appropriate, such policy or policies shall insure against all risks of direct physical loss or damage (except the perils of flood and/or earthquake unless required by a Lender), including coverage for debris removal and the enforcement of any Applicable Requirements requiring the upgrading, demolition, reconstruction or replacement of any portion of the Premises as the result of a covered loss. Said policy or policies shall also contain an agreed valuation provision in lieu of any coinsurance clause, waiver of subrogation, and inflation guard protection causing an increase in the annual property insurance coverage amount by a factor of not less than the adjusted U.S. Department of Labor Consumer Price Index for All Urban Consumers for the city nearest to where the Premises are located. If such insurance coverage has a deductible clause, the deductible amount shall not exceed \$1,000 per occurrence.
- (b) **Rental Value. Lessor.** shall also obtain and keep in force a policy or policies in the name of Lessor with loss payable to Lessor and any Lender, insuring the loss of the full Rent for one year with an extended period of indemnity for an additional 180 days ("Rental Value Insurance"). Said insurance shall contain an agreed valuation provision in lieu of any coinsurance clause, and the amount of coverage shall be adjusted annually to reflect the projected Rent otherwise payable by Lessee, for the next 12 month period.
- (c) **Adjacent Premises.** Lessee shall pay for any increase in the premiums for the property insurance of the Building and for the Common Areas or other buildings in the Shopping Center if said increase is caused by Lessee's acts, omissions, use or occupancy of the Premises.
- (d) **Lessee's Improvements.** Since Lessor is the Insuring Party, Lessor shall not be required to insure Lessee Owned Alterations and Utility Installations unless the item in question has become the property of Lessor under the terms of this Lease.

8.4 Lessee's Property; Business Interruption Insurance.

- (a) **Property Damage.** Lessee shall obtain and maintain insurance coverage on all of Lessee's personal property, Trade Fixtures, and Lessee Owned Alterations and Utility Installations. Such insurance shall be full replacement cost coverage with a deductible of not to exceed \$1,000 per occurrence. The proceeds from any such insurance shall be used by Lessee for the replacement of personal property, Trade Fixtures and Lessee Owned Alterations and Utility Installations. Lessee shall provide Lessor with written evidence that such insurance is in force.
- (b) **Business Interruption.** Lessee shall obtain and maintain loss of income and extra expense insurance in amounts as will reimburse Lessee for direct or indirect loss of earnings attributable to all perils commonly insured against by prudent lessees in the business of Lessee or attributable to prevention of access to the Premises as a result of such perils.
- (c) **No Representation of Adequate Coverage.** Lessor makes no representation that the limits or forms of coverage of insurance specified herein are adequate to cover Lessee's property, business operations or obligations under this Lease.

8.5 **Insurance Policies.** Insurance required herein shall be by companies duly licensed or admitted to transact business in the state where the Premises are located, and maintaining during the policy term a "General Policyholders Rating" of at least B+, V, as set forth in the most current issue of "Best's Insurance Guide", or such other rating as may be required by a Lender. Lessee shall not do or permit to be done anything which invalidates the required insurance policies. Lessee shall, prior to the Commencement Date, deliver to Lessor certified copies of policies of such insurance or certificates evidencing the existence and amounts of the required insurance. No such policy shall be cancelable or subject to modification except after 30 days prior written notice to Lessor. Lessee shall, at least 30 days prior to the expiration of such policies, furnish Lessor with evidence of renewals or "insurance binders" evidencing renewal thereof, or Lessor may order such insurance and charge the cost thereof to Lessee, which amount shall be payable by Lessee to Lessor upon demand. Such policies shall be for a term of at least one year, or the length of the remaining term of this Lease, whichever is less. If either Party shall fail to procure and maintain the insurance required to be carried by it, the other Party may, but shall not be required to, procure and maintain the same.

8.6 **Waiver of Subrogation.** Without affecting any other rights or remedies, Lessee and Lessor each hereby release and relieve the other, and waive their entire right to recover damages against the other, for loss of or damage to its property arising out of or incident to the perils required to be insured against herein. The effect of such releases and waivers is not limited by the amount of insurance carried or required, or by any deductibles applicable hereto. The Parties agree to have their respective property damage insurance carriers waive any right to subrogation that such companies may have against Lessor or Lessee, as the case may be, so long as the insurance is not invalidated thereby.

8.7 **Indemnity.** Except for Lessor's gross negligence or willful misconduct, Lessee shall indemnify, protect, defend and hold harmless the Premises, Lessor and its agents, Lessor's master or ground lessor, partners and Lenders, from and against any and all claims, loss of rents and/or damages, liens, judgments, penalties, attorneys' and consultants' fees, expenses and/or liabilities arising out of, involving, or in connection with, the use and/or occupancy of the Premises by Lessee. If any action or proceeding is brought against Lessor by reason of any of the foregoing matters, Lessee shall upon notice defend the same at Lessee's expense by counsel reasonably satisfactory to Lessor and Lessor shall cooperate with Lessee in such defense. Lessor need not have first paid any such claim in order to be defended or indemnified.

8.8 **Exemption of Lessor from Liability.** Lessor shall not be liable for injury or damage to the person or goods, wares, merchandise or other property of Lessee, Lessee's employees, contractors, invitees, customers, or any other person in or about the Premises, whether such damage or injury is caused by or results from fire, steam, electricity, gas, water or rain, or from the breakage, leakage, obstruction or other defects of pipes, fire sprinklers, wires, appliances, plumbing, HVAC or lighting fixtures, or from any other cause, whether the said injury or damage results from conditions arising upon the Premises or upon other portions of the Building, or from other sources or places. Lessor shall not be liable for any damages arising from any act or neglect of any other Lessee of Lessor nor from the failure of Lessor to enforce the provisions of any other lease in the Shopping Center. Notwithstanding Lessor's negligence or breach of this Lease, Lessor shall under no circumstances be liable for injury to Lessee's business or for any loss of income or profit therefrom. Lessee hereby indemnifies lessor against any claims or actions against Lessor due to Lessee's use of the Premises or to the use of the Premises by Lessee's customers, employees, or vendors.

9. **Damage or Destruction.**

9.1 **Definitions.**

- (a) **"Premises Partial Damage"** shall mean damage or destruction to the improvements on the Premises, other than Lessee Owned Alterations and Utility Installations, which can reasonably be repaired in 3 months or less from the date of the damage or destruction, and the cost thereof does not exceed a sum equal to 6 month's Base Rent. Lessor shall notify Lessee in writing within 30 days from the date of the damage or destruction as to whether or not the damage is Partial or Total.
- (b) **"Premises Total Destruction"** shall mean damage or destruction to the improvements on the Premises, other than Lessee Owned Alterations and Utility Installations and Trade Fixtures, which cannot reasonably be repaired in 3 months or less from the date of the damage or destruction and/or the cost thereof exceeds a sum equal to 6 month's Base Rent. Lessor shall notify Lessee in writing within 30 days from the date of the damage or destruction as to whether or not the damage is Partial or Total.
- (c) **"Insured Loss"** shall mean damage or destruction to improvements on the Premises, other than Lessee Owned Alterations and Utility Installations and Trade Fixtures, which was caused by an event required to be covered by the insurance described in Paragraph 8.3(a), irrespective of any deductible amounts or coverage limits involved.
- (d) **"Replacement Cost"** shall mean the cost to repair or rebuild the improvements owned by Lessor at the time of the occurrence to their condition existing immediately prior thereto, including demolition, debris removal and upgrading required by the operation of Applicable Requirements, and without deduction for depreciation.
- (e) **"Hazardous Substance Condition"** shall mean the occurrence or discovery of a condition involving the presence of, or a contamination by, a Hazardous Substance as defined in Paragraph 6.2(a), in, on, or under the Premises or Common Areas.

9.2 **Partial Damage - Insured Loss.** If a Premises Partial Damage that is an Insured Loss occurs, then Lessor shall, at Lessor's expense, repair such damage (but not Lessee's Trade Fixtures or Lessee Owned Alterations and Utility Installations) as soon as reasonably possible and this Lease shall continue in full force and effect; provided, however, that Lessee shall, at Lessor's election, make the repair of any damage or destruction the total Replacement Cost of which is \$5,000 or less, and, in such event, Lessor shall make any applicable insurance proceeds available to Lessee on a reasonable basis for that purpose. Notwithstanding the foregoing, if the required insurance was not in force or the insurance proceeds are not sufficient to affect such repair, the Insuring Party shall promptly contribute the shortage in proceeds as and when required to complete said repairs. In the event, however, such shortage was due to the fact that, by reason of the unique nature of the improvements, full Replacement Cost insurance coverage was not commercially reasonable and available, Lessor shall have no obligation to pay for the shortage in insurance proceeds or to fully

restore the unique aspects of the Premises unless Lessee provides Lessor with the funds to cover same, or adequate assurance thereof, within 10 days following receipt of written notice of such shortage and request therefor. If Lessor receives said funds or adequate assurance thereof within said 10 day period, the party responsible for making the repairs shall complete them as soon as reasonably possible and this Lease shall remain in full force and effect. If such funds or assurance are not received, Lessor may nevertheless elect by written notice to Lessee within 10 days thereafter to: (i) make such restoration and repair as is commercially reasonable with Lessor paying any shortage in proceeds, in which case this Lease shall remain in full force and effect, or (ii) have this Lease terminate 30 days thereafter. Lessee shall not be entitled to reimbursement of any funds contributed by Lessee to repair any such damage or destruction. Premises Partial Damage due to flood or earthquake shall be subject to Paragraph 9.3, notwithstanding that there may be some insurance coverage, but the net proceeds of any such insurance shall be made available for the repairs if made by either Party.

9.3 Partial Damage. - Uninsured Loss. If a Premises Partial Damage that is not an Insured Loss occurs, unless caused by a negligent or willful act of Lessee (in which event Lessee shall make the repairs at Lessee's expense), Lessor may either: (i) repair such damage as soon as reasonably possible at Lessor's expense, in which event this Lease shall continue in full force and effect, or (ii) terminate this Lease by giving written notice to Lessee within 30 days after receipt by Lessor of knowledge of the occurrence of such damage. Such termination shall be effective 60 days following the date of such notice. In the event Lessor elects to terminate this Lease, Lessee shall have the right within 10 days after receipt of the termination notice to give written notice to Lessor of Lessee's commitment to pay for the repair of such damage without reimbursement from Lessor. Lessee shall provide Lessor with said funds or satisfactory assurance thereof within 30 days after making such commitment. In such event this Lease shall continue in full force and effect, and Lessor shall proceed to make such repairs as soon as reasonably possible after the required funds are available. If Lessee does not make the required commitment, this Lease shall terminate as of the date specified in the termination notice.

9.4 Total Destruction. Notwithstanding any other provision hereof, if a Premises Total Destruction occurs, this Lease shall terminate 60 days following such Destruction. If the damage or destruction was caused by the gross negligence or willful misconduct of Lessee, Lessor shall have the right to recover Lessor's damages from Lessee, except as provided in Paragraph 8.6.

9.5 Damage Near End of Term. If at any time during the last 6 months of this Lease there is damage for which the cost to repair exceeds one month's Base Rent, whether or not an Insured Loss, Lessor may terminate this Lease effective 60 days following the date of occurrence of such damage by giving a written termination notice to Lessee within 30 days after the date of occurrence of such damage. Notwithstanding the foregoing, if Lessee at that time has an exercisable option to extend this Lease or to purchase the Premises, then Lessee may preserve this Lease by, (a) exercising such option and (b) providing Lessor with any shortage in insurance proceeds (or adequate assurance thereof) needed to make the repairs on or before the earlier of (i) the date which is 10 days after Lessee's receipt of Lessor's written notice purporting to terminate this Lease, or (ii) the day prior to the date upon which such option expires. If Lessee duly exercises such option during such period and provides Lessor with funds (or adequate assurance thereof) to cover any shortage in insurance proceeds, Lessor shall, at Lessor's commercially reasonable expense, repair such damage as soon as reasonably possible and this Lease shall continue in full force and effect. If Lessee fails to exercise such option and provide such funds or assurance during such period, then this Lease shall terminate on the date specified in the termination notice and Lessee's option shall be extinguished.

9.6 Damage to Shopping Center. In the event of any damage or destruction to other portions of the Building or to any other buildings in the Shopping Center, whether insured or uninsured (and whether or not there is also damage or destruction to the Premises), which cannot reasonably be

repaired in 6 months or less from the date of the damage or destruction, Lessor may either (i) repair such damage or destruction as soon as reasonably possible without expense to Lessee, in which event this Lease shall continue in full force and effect, or (ii) terminate this Lease by giving written notice to Lessee within 30 days after receipt by Lessor of knowledge of the occurrence of such damage or destruction. Such termination shall be effective 60 days following the date of such notice.

9.7 Abatement of Rent; Lessee's Remedies.

- (a) **Abatement.** In the event of Premises Partial Damage or Premises Total Destruction or a Hazardous Substance Condition for which Lessee is not responsible under this Lease, the Base Rent payable by Lessee for the period required for the repair, remediation or restoration of such damage shall be abated in proportion to the degree to which Lessee's use of the Premises is impaired, but not to exceed the proceeds received from the Rental Value Insurance. All other obligations of Lessee hereunder shall be performed by Lessee, and Lessor shall have no liability for any such damage, destruction, remediation, repair or restoration except as provided herein.
- (b) **Remedies.** If Lessor shall be obligated to repair or restore the Premises and does not commence, in a substantial and meaningful way, such repair or restoration within 90 days after such obligation shall accrue, Lessee may, at any time prior to the commencement of such repair or restoration, give written notice to Lessor and to any Lenders of which Lessee has actual notice, of Lessee's election to terminate this Lease on a date not less than 60 days following the giving of such notice. If Lessee gives such notice and such repair or restoration is not commenced within 30 days thereafter, this Lease shall terminate as of the date specified in said notice. If the repair or restoration is commenced within such 30 days, this Lease shall continue in full force and effect. "Commence" shall mean either the unconditional authorization of the preparation of the required plans, or the beginning of the actual work on the Premises, whichever first occurs.

9.8 Termination; Advance Payments. Upon termination of this Lease pursuant to Paragraph 6.2(g) or Paragraph 9, an equitable adjustment shall be made concerning advance Base Rent and any other advance payments made by Lessee to Lessor. Lessor shall, in addition, return to Lessee so much of Lessee's Security Deposit as has not been, or is not then required to be, used by Lessor.

9.9 Waive Statutes. Lessor and Lessee agree that the terms of this Lease shall govern the effect of any damage to or destruction of the Premises with respect to the termination of this Lease and hereby waive the provisions of any present or future statute to the extent inconsistent herewith.

10. Real Property Taxes.

10.1 Definition. As used herein, the term "Real Property Taxes" shall include any form of assessment; real estate, general, special, ordinary or extraordinary, or rental levy or tax (other than inheritance, personal income or estate taxes); improvement bond; and/or license fee imposed upon or levied against any legal or equitable interest of Lessor in the Shopping Center, Lessor's right to other income therefrom, and/or Lessor's business of leasing, by any authority having the direct or indirect power to tax and where the funds are generated with reference to the Shopping Center address and where the proceeds so generated are to be applied by the city, county or other local taxing authority of a jurisdiction within which the Shopping Center is located. The term "Real Property Taxes" shall also include any tax, fee, levy, assessment or charge, or any increase therein, imposed by reason of events occurring during the term of this Lease, with the exception of a change in the ownership of the Shopping Center or any portion thereof or a change in the improvements thereof during the first five (5) years of the Lease. Lessee shall not be responsible for any increase in Real Property Taxes attributable to change of ownership involving the Premises during the five (5)-year period starting on

the Rent Commencement Date; provided, however, at the beginning the Option Period, if exercised by Lessee, Lessee shall be liable for the full amount of taxes and assessments levied against the Premises. In calculating Real Property Taxes for any calendar year, the Real Property Taxes for any real estate tax year shall be included in the calculation of Real Property Taxes for such calendar year based upon the number of days which such calendar year and tax year have in common.

10.2 **Payment of Taxes.** Lessor shall pay the Real Property Taxes applicable to the Shopping Center, and except as otherwise provided in Paragraph 10.3, any such amounts shall be included in the calculation of Common Area Operating Expenses in accordance with the provisions of Paragraph 4.2.

10.3 **Additional Improvements.** Common Area Operating Expenses shall not include Real Property Taxes specified in the tax assessor's records and work sheets as being caused by additional improvements placed upon the Shopping Center by other lessees or by Lessor for the exclusive enjoyment of such other lessees. Notwithstanding Paragraph 10.2 hereof, Lessee shall, however, pay to Lessor at the time Common Area Operating Expenses are payable under Paragraph 4.2, the entirety of any increase in Real Property Taxes if assessed solely by reason of Alterations, Trade Fixtures or Utility Installations placed upon the Premises by Lessee or at Lessee's request, or by reason of any alterations or improvements to the Premises made by Lessor subsequent to the execution of this Lease by the Parties.

10.4 **Joint Assessment.** If the Building is not separately assessed, Real Property Taxes allocated to the Building shall be an equitable proportion of the Real Property Taxes for all of the land and improvements included within the tax parcel assessed, such proportion to be determined by Lessor from the respective valuations assigned in the assessor's work sheets or such other information as may be reasonably available. Lessor's reasonable determination thereof, in good faith, shall be conclusive.

10.5 **Personal Property Taxes.** Lessee shall pay prior to delinquency all taxes assessed against and levied upon Lessee Owned Alterations and Utility Installations, Trade Fixtures, furnishings, equipment and all personal property of Lessee contained in the Premises. When possible, Lessee shall cause its Lessee Owned Alterations and Utility Installations, Trade Fixtures, furnishings, equipment and all other personal property to be assessed and billed separately from the real property of Lessor. If any of Lessee's said property shall be assessed with Lessor's real property, Lessee shall pay Lessor the taxes attributable to Lessee's property within 10 days after receipt of a written statement setting forth the taxes applicable to Lessee's property.

11. **Utilities.** Lessee shall pay for all water, gas, heat, light, power, telephone, trash disposal and other utilities and services supplied to the Premises, together with any taxes thereon beginning on the Delivery Date, and continuing through the Term of the Lease. To the extent any such utilities and/or services are not separately metered, Lessee shall pay Lessee's Share thereof in accordance with Paragraph 4.2. Notwithstanding the provisions of Paragraph 4.2, if at any time in Lessor's sole judgment, Lessor determines that Lessee is using a disproportionate amount of water, electricity or other commonly metered utilities, or that Lessee is generating such a large volume of trash as to require an increase in the size of the dumpster and/or an increase in the number of times per month that the dumpster is emptied, then Lessor may increase Lessee's Base Rent by an amount equal to such increased costs.

12. **Assignment and Subletting.**

12.1 **Lessor's Consent Required.**

- (a) Lessee shall not voluntarily or by operation of law assign, transfer, mortgage or encumber (collectively, "assign or assignment") or sublet all, or the majority of Lessee's interest in this Lease or in the Premises without Lessor's prior written consent.

- (b) If the Lessee is a corporation, a change in the control of Lessee shall constitute an assignment requiring consent. The transfer, on a cumulative basis, of 25% or more of the voting control of Lessee shall constitute a change in control for this purpose.
- (c) If the Lessee is a corporation, the involvement of Lessee or its assets in any transaction, or series of transactions (by way of merger, sale, acquisition, financing, transfer, leveraged buy-out or otherwise), whether or not a formal assignment or hypothecation of this Lease or Lessee's assets occurs, which results or will result in a reduction of the Net Worth of Lessee by an amount greater than 25% of such Net Worth as it was represented at the time of the execution of this Lease or at the time of the most recent assignment to which Lessor has consented, or as it exists immediately prior to said transaction or transactions constituting such reduction, whichever was or is greater, shall be considered an assignment of this Lease to which Lessor may withhold its consent. "Net Worth of Lessee" shall mean the net worth of Lessee (excluding any guarantors) established under generally accepted accounting principles.
- (d) An assignment or subletting without consent shall, at Lessor's option, be a Default curable after notice per Paragraph 13.1(c), or a noncurable Breach without the necessity of any notice and grace period. If Lessor elects to treat such unapproved assignment or subletting as a noncurable Breach, Lessor may either: (i) terminate this Lease, or (ii) upon 30 days written notice, increase the monthly Base Rent and Percentage Rent Rate to 110% of the Base Rent and Percentage Rent Rate then in effect. Further, in the event of such Breach and rental adjustment, (i) the purchase price of any option to purchase the Premises held by Lessee shall be subject to similar adjustment to 110% of the price previously in effect, and (ii) all fixed and non-fixed rental adjustments scheduled during the remainder of the Lease term shall be increased to 110% of the scheduled adjusted rent.
- (e) Lessee's remedy for any breach of Paragraph 12.1 by Lessor shall be limited to compensatory damages and/or injunctive relief.

12.2 Terms and Conditions Applicable to Assignment and Subletting.

- (a) Regardless of Lessor's consent, no assignment or subletting shall: (i) be effective without the express written assumption by such assignee or sublessee of the obligations of Lessee under this Lease, (ii) release Lessee of any obligations hereunder, or (iii) alter the primary liability of Lessee for the payment of Rent or for the performance of any other obligations to be performed by Lessee.
- (b) Lessor may accept Rent or performance of Lessee's obligations from any person other than Lessee pending approval or disapproval of an assignment. Neither a delay in the approval or disapproval of such assignment nor the acceptance of Rent or performance shall constitute a waiver or estoppel of Lessor's right to exercise its remedies for Lessee's Default or Breach.
- (c) Lessor's consent to any assignment or subletting shall not constitute consent to any subsequent assignment or subletting.
- (d) In the event of any Default or Breach by Lessee, Lessor may proceed directly against Lessee, any Guarantors or anyone else responsible for the performance of Lessee's obligations under this Lease, including any assignee or sublessee, without first exhausting Lessor's remedies against any other person or entity responsible therefore to Lessor, or any security held by Lessor.
- (e) Each request for consent to an assignment or subletting shall be in writing, accompanied by information relevant to Lessor's determination as to the financial and operational responsibility and appropriateness of the proposed assignee or sublessee, including but not limited to the intended use and/or required modification of the Premises, if any, together with a fee of \$2,000, as consideration for Lessor's considering and processing said request. Lessee agrees to provide Lessor with such other or additional information and/or documentation as may be reasonably requested.

- (f) Any assignee of, or sublessee under, this Lease shall, by reason of accepting such assignment or entering into such sublease, be deemed to have assumed and agreed to conform and comply with each and every term, covenant, condition and obligation herein to be observed or performed by Lessee during the term of said assignment or sublease, other than such obligations as are contrary to or inconsistent with provisions of an assignment or sublease to which Lessor has specifically consented to in writing.
- (g) Lessor's consent to any assignment or subletting shall not transfer to the assignee or sublessee any Option granted to the original Lessee by this Lease unless such transfer is specifically consented to by Lessor in writing. (See Paragraph 39.2)

12.3 **Additional Terms and Conditions Applicable to Subletting.** The following terms and conditions shall apply to any subletting by Lessee of all or any part of the Premises and shall be deemed included in all subleases under this Lease whether or not expressly incorporated therein:

- (a) Lessee hereby assigns and transfers to Lessor all of Lessee's interest in all Rent payable on any sublease, and Lessor may collect such Rent and apply same toward Lessee's obligations under this Lease; provided, however, that until a Breach shall occur in the performance of Lessee's obligations, Lessee may collect said Rent. Lessor shall not, by reason of the foregoing or any assignment of such sublease, nor by reason of the collection of Rent, be deemed liable to the sublessee for any failure of Lessee to perform and comply with any of Lessee's obligations to such sublessee. Lessee hereby irrevocably authorizes and directs any such sublessee, upon receipt of a written notice from Lessor stating that a Breach exists in the performance of Lessee's obligations under this Lease, to pay to Lessor all Rent due and to become due under the sublease. Sublessee shall rely upon any such notice from Lessor and shall pay all Rents to Lessor without any obligation or right to inquire as to whether such Breach exists, notwithstanding any claim from Lessee to the contrary.
- (b) In the event of a Breach by Lessee, Lessor may, at its option, require sublessee to attorn to Lessor, in which event Lessor shall undertake the obligations of the sublessor under such sublease from the time of the exercise of said option to the expiration of such sublease; provided, however, Lessor shall not be liable for any prepaid rents or security deposit paid by such sublessee to such sublessor or for any prior Defaults or Breaches of such sublessor.
- (c) Any matter requiring the consent of the sublessor under a sublease shall also require the consent of Lessor.
- (d) No sublessee shall further assign or sublet all or any part of the Premises without Lessor's prior written consent.
- (e) Lessor shall deliver a copy of any notice of Default or Breach by Lessee to the sublessee, who shall have the right to cure the Default of Lessee within the grace period, if any, specified in such notice. The sublessee shall have a right of reimbursement and offset from and against Lessee for any such Defaults cured by the sublessee.

13. **Default; Breach; Remedies.**

13.1 **Default; Breach.** A "Default" is defined as a failure by the Lessee to comply with or perform any of the terms, covenants, conditions or Rules and Regulations under this Lease. A "Breach" is defined as the occurrence of one or more of the following Defaults, and the failure of Lessee to cure such Default within any applicable grace period:

- (a) The vacating or abandonment of the Premises. Lessee shall be deemed to have vacated the Premises if Lessee ceases to continuously operate its business in the Premises for a period of 5 consecutive days.
- (b) The failure of Lessee to make any payment of Rent or any Security Deposit required to be made by Lessee hereunder, whether to Lessor or to a third party, when due, to provide reasonable evidence of insurance or surety bond, or to fulfill any obligation

under this Lease which endangers or threatens life or property, where such failure continues for a period of 3 business days following written notice to Lessee.

- (c) The failure by Lessee to provide (i) reasonable written evidence of compliance with Applicable Requirements, (ii) the service contracts, (iii) the rescission of an unauthorized assignment or subletting, (iv) an Estoppel Certificate, (v) a requested subordination, (vi) evidence concerning any guaranty and/or Guarantor, (vii) any document requested under Paragraph 41 (easements), (viii) a statement of Lessee's Gross Sales required under the Percentage Rent Addendum attached hereto, if any, or (ix) any other documentation or information which Lessor may reasonably require of Lessee under the terms of this Lease, where any such failure continues for a period of 10 days following written notice to Lessee.
- (d) A Default by Lessee as to the terms, covenants, conditions or provisions of this Lease, or of the rules adopted under Paragraph 2.9 hereof, other than those described in subparagraphs 13.1(a), (b) or (c), above, where such Default continues for a period of 30 days after written notice; provided, however, that if the nature of Lessee's Default is such that more than 30 days are reasonably required for its cure, then it shall not be deemed to be a Breach if Lessee commences such cure within said 30 day period and thereafter diligently prosecutes such cure to completion.
- (e) The occurrence of any of the following events: (i) the making of any general arrangement or assignment for the benefit of creditors; (ii) becoming a "debtor" as defined in 11 U.S.C. 101 or any successor statute thereto (unless, in the case of a petition filed against Lessee, the same is dismissed within 60 days); (iii) the appointment of a trustee or receiver to take possession of substantially all of Lessee's assets located at the Premises or of Lessee's interest in this Lease, where possession is not restored to Lessee within 30 days; or (iv) the attachment, execution or other judicial seizure of substantially all of Lessee's assets located at the Premises or of Lessee's interest in this Lease, where such seizure is not discharged within 30 days; provided, however, in the event that any provision of this subparagraph (e) is contrary to any applicable law, such provision shall be of no force or effect, and not affect the validity of the remaining provisions.
- (f) The discovery that any financial statement of Lessee or of any Guarantor given to Lessor was materially false.
- (g) If the performance of Lessee's obligations under this Lease is guaranteed: (i) the death of a Guarantor, (ii) the termination of a Guarantor's liability with respect to this Lease other than in accordance with the terms of such guaranty, (iii) a Guarantor's becoming insolvent or the subject of a bankruptcy filing, (iv) a Guarantor's refusal to honor the guaranty, or (v) a Guarantor's breach of its guaranty obligation on an anticipatory basis, and Lessee's failure, within 60 days following written notice of any such event, to provide written alternative assurance or security, which, when coupled with the then existing resources of Lessee, equals or exceeds the combined financial resources of Lessee and the Guarantors that existed at the time of execution of this Lease.

13.2 **Remedies.** If Lessee fails to perform any of its affirmative duties or obligations, within 10 days after written notice (or in case of an emergency, without notice), Lessor may, at its option, perform such duty or obligation on Lessee's behalf, including but not limited to the obtaining of reasonably required bonds, insurance policies, or governmental licenses, permits or approvals. The costs and expenses of any such performance by Lessor shall be due and payable by Lessee upon receipt of invoice therefor. If any check given to Lessor by Lessee shall not be honored by the bank upon which it is drawn, Lessor, at its option, may require all future payments to be made by Lessee to be by cashier's check. In the event of a Breach, Lessor may, with or without further notice or demand, and without limiting Lessor in the exercise of any right or remedy which Lessor may have by reason of such Breach:

- (a) Terminate Lessee's right to possession of the Premises by any lawful means, in which case this Lease shall terminate and Lessee shall immediately surrender possession to

Lessor. In such event Lessor shall be entitled to recover from Lessee: (i) the unpaid Rent which had been earned at the time of termination; (ii) the worth at the time of award of the amount by which the unpaid Rent which would have been earned after termination until the time of award exceeds the amount of such rental loss that the Lessee proves could have been reasonably avoided; (iii) the worth at the time of award of the amount by which the unpaid Rent for the balance of the term after the time of award exceeds the amount of such rental loss that the Lessee proves could be reasonably avoided; and (iv) any other amount necessary to compensate Lessor for all the detriment proximately caused by the Lessee's failure to perform its obligations under this Lease or which in the ordinary course of things would be likely to result therefrom, including but not limited to the cost of recovering possession of the Premises, expenses of reletting, including necessary renovation and alteration of the Premises, reasonable attorneys' fees, and that portion of any leasing commission paid by Lessor in connection with this Lease applicable to the unexpired term of this Lease. The worth at the time of award of the amount referred to in provision (iii) of the immediately preceding sentence shall be computed by discounting such amount at the discount rate of the Federal Reserve Bank of the District within which the Premises are located at the time of award plus one percent. Efforts by Lessor to mitigate damages caused by Lessee's Breach of this Lease shall not waive Lessor's right to recover damages under Paragraph 12. If termination of this Lease is obtained through the provisional remedy of unlawful detainer, Lessor shall have the right to recover in such proceeding any unpaid Rent and damages as are recoverable therein, or Lessor may reserve the right to recover all or any part thereof in a separate suit. If a notice and grace period required under Paragraph 13.1 was not previously given, a notice to pay rent or quit, or to perform or quit given to Lessee under the unlawful detainer statute shall also constitute the notice required by Paragraph 13.1. In such case, the applicable grace period required by Paragraph 13.1 and the unlawful detainer statute shall run concurrently, and the failure of Lessee to cure the Default within the greater of the two such grace periods shall constitute both an unlawful detainer and a Breach of this Lease entitling Lessor to the remedies provided for in this Lease and/or by said statute.

- (b) Continue the Lease and Lessee's right to possession and recover the Rent as it becomes due, in which event Lessee may sublet or assign, subject only to reasonable limitations. Acts of maintenance, efforts to relet, and/or the appointment of a receiver to protect the Lessor's interests, shall not constitute a termination of the Lessee's right to possession.
- (c) Pursue any other remedy now or hereafter available under the laws or judicial decisions of the state wherein the Premises are located. The expiration or termination of this Lease and/or the termination of Lessee's right to possession shall not relieve Lessee from liability under any indemnity provisions of this Lease as to matters occurring or accruing during the term hereof or by reason of Lessee's occupancy of the Premises.

13.3 Inducement Recapture. Any agreement for free or abated rent or other charges, or for the giving or paying by Lessor to or for Lessee of any cash or other bonus, inducement or consideration for Lessee's entering into this Lease, all of which concessions are hereinafter referred to as "Inducement Provisions ", shall be deemed conditioned upon Lessee's full and faithful performance of all of the terms, covenants and conditions of this Lease. Upon Breach of this Lease by Lessee, any such Inducement Provision shall automatically be deemed deleted from this Lease and of no further force or effect, and any rent, other charge, bonus, inducement or consideration theretofore abated, given or paid by Lessor under such an Inducement Provision shall be immediately due and payable by Lessee to Lessor, notwithstanding any subsequent cure of said Breach by Lessee. The acceptance by Lessor of rent or the cure of the Breach which initiated the operation of this paragraph shall not be deemed a waiver by Lessor of the provisions of this paragraph unless specifically so stated in writing by Lessor at the time of such acceptance.

13.4 **Late Charges.** Lessee hereby acknowledges that late payment by Lessee of Rent will cause Lessor to incur costs not contemplated by this Lease, the exact amount of which will be extremely difficult to ascertain. Such costs include, but are not limited to, processing and accounting charges, and late charges which may be imposed upon Lessor by any Lender. Accordingly, if any Rent shall not be received by Lessor within 5 days after such amount shall be due, then, without any requirement for notice to Lessee, Lessee shall pay to Lessor a one-time late charge equal to 10% of each such overdue amount or \$100, whichever is greater. The parties hereby agree that such late charge represents a fair and reasonable estimate of the costs Lessor will incur by reason of such late payment. Acceptance of such late charge by Lessor shall in no event constitute a waiver of Lessee's Default or Breach with respect to such overdue amount, nor prevent the exercise of any of the other rights and remedies granted hereunder. In the event that a late charge is payable hereunder, whether or not collected, for 3 consecutive installments of Base Rent, then notwithstanding any provision of this Lease to the contrary, Base Rent shall, at Lessor's option, become due and payable quarterly in advance.

13.5 **Interest.** Any monetary payment due Lessor hereunder, other than late charges, not received by Lessor, when due as to scheduled payments (such as Base Rent and Percentage Rent) or within 30 days following the date on which it was due for non-scheduled payment, shall bear interest from the date when due, as to scheduled payments, or the 31st day after it was due as to non-scheduled payments. The interest ("Interest") charged shall be equal to 10%, but shall not exceed the maximum rate allowed by law. Interest is payable in addition to the potential late charge provided for in Paragraph 13.4.

13.6 **Breach by Lessor.**

- (a) **Notice of Breach.** Lessor shall not be deemed in breach of this Lease unless Lessor fails within a reasonable time to perform an obligation required to be performed by Lessor. For purposes of this Paragraph, a reasonable time shall in no event be less than 30 days after receipt by Lessor, and any Lender whose name and address shall have been furnished Lessee in writing for such purpose, of written notice specifying wherein such obligation of Lessor has not been performed; provided, however, that if the nature of Lessor's obligation is such that more than 30 days are reasonably required for its performance, then Lessor shall not be in breach if performance is commenced within such 30 day period and thereafter diligently pursued to completion.
- (b) **Performance by Lessee on Behalf of Lessor.** In the event that neither Lessor nor Lender cures said breach within 30 days after receipt of said notice, or if having commenced said cure they do not diligently pursue it to completion, then Lessee may elect to cure said breach at Lessee's expense and offset from Rent an amount equal to the greater of one month's Base Rent or the Security Deposit, and to pay an excess of such expense under protest, reserving Lessee's right to reimbursement from Lessor. Lessee shall document the cost of said cure and supply said documentation to Lessor.

14. **Condemnation.** If the Premises or any portion thereof are taken under the power of eminent domain or sold under the threat of the exercise of said power (collectively "Condemnation"), this Lease shall terminate as to the part taken as of the date the condemning authority takes title or possession, whichever first occurs. If more than 10% of the floor area of the Premises, or more than 25% of the parking spaces situated within the parking area, is taken by Condemnation, Lessee may, at Lessee's option, to be exercised in writing within 10 days after Lessor shall have given Lessee written notice of such taking (or in the absence of such notice, within 10 days after the condemning authority shall have taken possession) terminate this Lease as of the date the condemning authority takes such possession. If Lessee does not terminate this Lease in accordance with the foregoing, this Lease shall remain in full force and effect as to the portion of the Premises remaining, except that the Base Rent shall be reduced in proportion to the reduction in utility of the Premises

caused by such Condemnation. Condemnation awards and/or payments shall be the property of Lessor, whether such award shall be made as compensation for diminution in value of the leasehold, the value of the part taken, or for severance damages; provided, however, that Lessee shall be entitled to any compensation for Lessee's relocation expenses, loss of business goodwill and/or Trade Fixtures, without regard to whether or not this Lease is terminated pursuant to the provisions of this Paragraph.

15. **Brokerage Fees.**

15.1 **Representations and Indemnities of Broker Relationships.** Lessee and Lessor each represent and warrant to the other that it has had no dealings with any person, firm, broker or finder (other than the Brokers, if any) in connection with this Lease, and that no one other than said named Brokers is entitled to any commission or finder's fee in connection herewith. Lessee and Lessor do each hereby agree to indemnify, protect, defend and hold the other harmless from and against liability for compensation or charges which may be claimed by any such unnamed broker, finder or other similar party by reason of any dealings or actions of the indemnifying Party, including any costs, expenses, attorneys' fees reasonably incurred with respect thereto.

16. **Estoppel Certificates.** Each Party (as "Responding Party") shall within 10 business days after written notice from the other Party (the "Requesting Party") execute, acknowledge and deliver to the Requesting Party a statement in writing in form similar to the then most current " Estoppel Certificate" form published by the AIR Commercial Real Estate Association, plus such additional information, confirmation and/or statements as may be reasonably requested by the Requesting Party.

- (a) If the Responding Party shall fail to execute or deliver the Estoppel Certificate within such 10 day period, the Requesting Party may execute an Estoppel Certificate stating that: (i) the Lease is in full force and effect without modification except as may be represented by the Requesting Party, (ii) there are no uncured defaults in the Requesting Party's performance, and (iii) if Lessor is the Requesting Party, not more than one month's rent has been paid in advance. Prospective purchasers and encumbrances may rely upon the Requesting Party's Estoppel Certificate, and the Responding Party shall be estopped from denying the truth of the facts contained in said Certificate.
- (b) If Lessor desires to finance, refinance, or sell the Premises, or any part thereof, Lessee and all Guarantors shall deliver to any potential lender or purchaser designated by Lessor such financial statements as may be reasonably required by such lender or purchaser, including but not limited to Lessee's financial statements for the past 3 years. All such financial statements shall be received by Lessor and such lender or purchaser in confidence and shall be used only for the purposes herein set forth.

17. **Definition of Lessor.** The term "Lessor" as used herein shall mean the owner or owners at the time in question of the fee title to the Premises, or, if this is a sublease, of the Lessee's interest in the prior lease. In the event of a transfer of Lessor's title or interest in the Premises or this Lease, Lessor shall deliver to the transferee or assignee (in cash or by credit) any unused Security Deposit held by Lessor. Except as provided in Paragraph 15, upon such transfer or assignment and delivery of the Security Deposit, as aforesaid, the prior Lessor shall be relieved of all liability with respect to the obligations and/or covenants under this Lease thereafter to be performed by the Lessor. Subject to the foregoing, the obligations and/or covenants in this Lease to be performed by the Lessor shall be binding only upon the Lessor as hereinabove defined. Notwithstanding the above, and subject to the provisions of Paragraph 20 below, the original Lessor under this Lease, and all subsequent holders of the Lessor's interest in this Lease shall remain liable and responsible with regard to the potential duties and liabilities of Lessor pertaining to Hazardous Substances as outlined in Paragraph 6.2 above.

18. **Severability.** The invalidity of any provision of this Lease, as determined by a court of competent jurisdiction, shall in no way affect the validity of any other provision hereof.

19. **Days.** Unless otherwise specifically indicated to the contrary, the word “days” as used in this Lease shall mean and refer to calendar days.

20. **Limitation on Liability.** Subject to the provisions of Paragraph 17 above, the obligations of Lessor under this Lease shall not constitute personal obligations of Lessor, the individual partners of Lessor or its or their individual partners, directors, officers or shareholders, and Lessee shall look to the Premises, and to no other assets of Lessor, for the satisfaction of any liability of Lessor with respect to this Lease, and shall not seek recourse against the individual partners of Lessor, or its or their individual partners, directors, officers or shareholders, or any of their personal assets for such satisfaction.

21. **Time of Essence.** Time is of the essence with respect to the performance of all obligations to be performed or observed by the Parties under this Lease.

22. **No Prior or Other Agreements; Broker Disclaimer.** This Lease contains all agreements between the Parties with respect to any matter mentioned herein, and no other prior or contemporaneous agreement or understanding shall be effective. Lessor and Lessee each represents and warrants to the Brokers that it has made, and is relying solely upon, its own investigation as to the nature, quality, character and financial responsibility of the other Party to this Lease and as to the use, nature, quality and character of the Premises. Brokers have no responsibility with respect thereto or with respect to any default or breach hereof by either Party. The liability (including court costs and attorneys’ fees), of any Broker with respect to negotiation, execution, delivery or performance by either Lessor or Lessee under this Lease or any amendment or modification hereto shall be limited to an amount up to the fee received by such Broker pursuant to this Lease; provided, however, that the foregoing limitation on each Broker’s liability shall not be applicable to any gross negligence or willful misconduct of such Broker.

23. **Notices.**

23.1 **Notice Requirements.** All notices required or permitted by this Lease or applicable law shall be in writing and may be delivered in person (by hand or by courier) or may be sent by regular, certified or registered mail or U.S. Postal Service Express Mail, with postage prepaid, or by facsimile transmission, and shall be deemed sufficiently given if served in a manner specified in this Paragraph 23. The addresses noted adjacent to a Party’s signature on this Lease shall be that Party’s address for delivery or mailing of notices. Either Party may by written notice to the other specify a different address for notice, except that upon Lessee’s taking possession of the Premises, the Premises shall constitute Lessee’s address for notice. A copy of all notices to Lessor shall be concurrently transmitted to such party or parties at such addresses as Lessor may from time to time hereafter designate in writing. Notwithstanding California Civil Code 1162, notices contemplated by Paragraphs 13.1 and 13.2 of this Lease may be given by the means permitted by this Paragraph 23.1 and such notices given by the means of this Paragraph 23.1 are in lieu of, and not in addition to, the notices contemplated by California Civil Code 1161. The parties acknowledge and agree that the respective attorneys of the parties shall be authorized to send notices on behalf of their clients

23.2 **Date of Notice.** Any notice sent by registered or certified mail, return receipt requested, shall be deemed given on the date of delivery shown on the receipt card, or if no delivery date is shown, the postmark thereon. If sent by regular mail the notice shall be deemed given 72 hours after the same is addressed as required herein and mailed with postage prepaid. Notices delivered by United States Express Mail or overnight courier that guarantee next day delivery shall be deemed given 24 hours after delivery of the same to the Postal Service or courier. Notices transmitted by facsimile transmission or similar means shall be deemed delivered upon telephone confirmation of receipt (confirmation report from fax machine is sufficient), provided a copy is also delivered via delivery or mail. If notice is received on a Saturday, Sunday or legal holiday, it shall be deemed received on the next business day.

24. **Waivers.** No waiver by Lessor of the Default or Breach of any term, covenant or condition hereof by Lessee, shall be deemed a waiver of any other term, covenant or condition hereof, or of any subsequent Default or Breach by Lessee of the same or of any other term, covenant or condition hereof. Lessor's consent to, or approval of, any act shall not be deemed to render unnecessary the obtaining of Lessor's consent to, or approval of, any subsequent or similar act by Lessee, or be construed as the basis of an estoppel to enforce the provision or provisions of this Lease requiring such consent. The acceptance of Rent by Lessor shall not be a waiver of any Default or Breach by Lessee. Any payment by Lessee may be accepted by Lessor on account of moneys or damages due Lessor, notwithstanding any qualifying statements or conditions made by Lessee in connection therewith, which such statements and/or conditions shall be of no force or effect whatsoever unless specifically agreed to in writing by Lessor at or before the time of deposit of such payment.

25. **Disclosures Regarding The Nature of a Real Estate Agency Relationship.**

(a) When entering into a discussion with a real estate agent regarding a real estate transaction, a Lessor or Lessee should from the outset understand what type of agency relationship or representation it has with the agent or agents in the transaction. Lessor and Lessee acknowledge being advised by the Brokers in this transaction, as follows:

(i) **Lessor's Agent.** A Lessor's agent under a listing agreement with the Lessor acts as the agent for the Lessor only. A Lessor's agent or subagent has the following affirmative obligations: To the Lessor: A fiduciary duty of utmost care, integrity, honesty, and loyalty in dealings with the Lessor. To the Lessee and the Lessor: (a) Diligent exercise of reasonable skills and care in performance of the agent's duties. (b) A duty of honest and fair dealing and good faith. (c) A duty to disclose all facts known to the agent materially affecting the value or desirability of the property that are not known to, or within the diligent attention and observation of, the Parties. An agent is not obligated to reveal to either Party any confidential information obtained from the other Party which does not involve the affirmative duties set forth above.

(ii) **Lessee's Agent.** An agent can agree to act as agent for the Lessee only. In these situations, the agent is not the Lessor's agent, even if by agreement the agent may receive compensation for services rendered, either in full or in part from the Lessor. An agent acting only for a Lessee has the following affirmative obligations. To the Lessee: A fiduciary duty of utmost care, integrity, honesty, and loyalty in dealings with the Lessee. To the Lessee and the Lessor: (a) Diligent exercise of reasonable skills and care in performance of the agent's duties. (b) A duty of honest and fair dealing and good faith. (c) A duty to disclose all facts known to the agent materially affecting the value or desirability of the property that are not known to, or within the diligent attention and observation of, the Parties. An agent is not obligated to reveal to either Party any confidential information obtained from the other Party which does not involve the affirmative duties set forth above.

(iii) **Agent Representing Both Lessor and Lessee.** A real estate agent, either acting directly or through one or more associate licenses, can legally be the agent of both the Lessor and the Lessee in a transaction, but only with the knowledge and consent of both the Lessor and the Lessee. In a dual agency situation, the agent has the following affirmative obligations to both the Lessor and the Lessee: (a) A fiduciary duty of utmost care, integrity, honesty and loyalty in the dealings with either Lessor or the Lessee. (b) Other duties to the Lessor and the Lessee as stated above in subparagraphs (i) or (ii). In representing both Lessor and Lessee, the agent may not without the express permission of the respective Party, disclose to the other Party that the Lessor will accept rent in an amount less than that indicated in the listing or that the Lessee is willing to pay a higher rent than that offered. The above duties of the agent in a real estate transaction do not relieve a Lessor or Lessee from the responsibility to protect their own interests. Lessor and Lessee should carefully read all agreements to assure that they adequately express their understanding of the

transaction. A real estate agent is a person qualified to advise about real estate. If legal or tax advice is desired, consult a competent professional.

- (b) Brokers have no responsibility with respect to any default or breach hereof by either Party. The liability (including court costs and attorneys' fees), of any Broker with respect to any breach of duty, error or omission relating to this Lease shall not exceed the fee received by such Broker pursuant to this Lease; provided, however, that the foregoing limitation on each Broker's liability shall not be applicable to any gross negligence or willful misconduct of such Broker.
- (c) Buyer and Seller agree to identify to Brokers as "Confidential" any communication or information given Brokers that is considered by such Party to be confidential.

26. **No Right To Holdover.** Lessee has no right to retain possession of the Premises or any part thereof beyond the expiration or termination of this Lease. In the event that Lessee holds over, then the Base Rent and Percentage Rent Rate shall be increased to 150% of the Base Rent and Percentage Rent Rate applicable immediately preceding the expiration or termination. Nothing contained herein shall be construed as consent by Lessor to any holding over by Lessee.

27. **Cumulative Remedies.** No remedy or election hereunder shall be deemed exclusive but shall, wherever possible, be cumulative with all other remedies at law or in equity.

28. **Covenants and Conditions.** Construction of Agreement. All provisions of this Lease to be observed or performed by Lessee are both covenants and conditions. In construing this Lease, all headings and titles are for the convenience of the Parties only and shall not be considered a part of this Lease. Whenever required by the context, the singular shall include the plural and vice versa. This Lease shall not be construed as if prepared by one of the Parties, but rather according to its fair meaning as a whole, as if both Parties had prepared it.

29. **Binding Effect; Choice of Law.** This Lease shall be binding upon the parties, their personal representatives, successors and assigns and be governed by the laws of the State in which the Premises are located. Any litigation between the Parties hereto concerning this Lease shall be initiated in the county in which the Premises are located.

30. **Subordination; Attornment; Non-Disturbance.**

30.1 **Subordination.** This Lease and any Option granted hereby shall be subject and subordinate to any ground lease, mortgage, deed of trust, or other hypothecation or security device (collectively, "Security Device"), now or hereafter placed upon the Premises, to any and all advances made on the security thereof, and to all renewals, modifications, and extensions thereof. Lessee agrees that the holders of any such Security Devices (in this Lease together referred to as "Lender") shall have no liability or obligation to perform any of the obligations of Lessor under this Lease. Any Lender may elect to have this Lease and/or any Option granted hereby superior to the lien of its Security Device by giving written notice thereof to Lessee, whereupon this Lease and such Options shall be deemed prior to such Security Device, notwithstanding the relative dates of the documentation or recordation thereof.

30.2 **Attornment.** In the event that Lessor transfers title to the Premises, or the Premises are acquired by another upon the foreclosure or termination of a Security Device to which this Lease is subordinated (i) Lessee shall, subject to the non-disturbance provisions of Paragraph 30.3, attorn to such new owner, and upon request, enter into a new lease, containing all of the terms and provisions of this Lease, with such new owner for the remainder of the term hereof, or, at the election of such new owner, this Lease shall automatically become a new Lease between Lessee and such new owner, upon all of the terms and conditions hereof, for the remainder of the term hereof, and (ii) Lessor shall thereafter be relieved of any further obligations hereunder and such new owner shall assume all of

Lessor's obligations hereunder, except that such new owner shall not: (a) be liable for any act or omission of any prior lessor or with respect to events occurring prior to acquisition of ownership; (b) be subject to any offsets or defenses which Lessee might have against any prior lessor, (c) be bound by prepayment of more than one month's rent, or (d) be liable for the return of any security deposit paid to any prior lessor.

30.3 **Non-Disturbance.** With respect to Security Devices entered into by Lessor after the execution of this Lease, Lessee's subordination of this Lease shall be subject to receiving a commercially reasonable non-disturbance agreement (a "Non-Disturbance Agreement") from the Lender which Non-Disturbance Agreement provides that Lessee's possession of the Premises, and this Lease, including any options to extend the term hereof, will not be disturbed so long as Lessee is not in Breach hereof and attorns to the record owner of the Premises. Further, within 60 days after the execution of this Lease, Lessor shall use its commercially reasonable efforts to obtain a Non-Disturbance Agreement from the holder of any pre-existing Security Device which is secured by the Premises. In the event that Lessor is unable to provide the Non-Disturbance Agreement within said 60 days, then Lessee may, at Lessee's option, directly contact Lender and attempt to negotiate for the execution and delivery of a Non-Disturbance Agreement.

30.4 **Self-Executing.** The agreements contained in this Paragraph 30 shall be effective without the execution of any further documents; provided, however, that, upon written request from Lessor or a Lender in connection with a sale, financing or refinancing of the Premises, Lessee and Lessor shall execute such further writings as may be reasonably required to separately document any subordination, attornment and/or Non-Disturbance Agreement provided for herein.

31. **Attorneys' Fees.** If any Party or Broker brings an action or proceeding involving the Premises whether founded in tort, contract or equity, or to declare rights hereunder, the Prevailing Party (as hereafter defined) in any such proceeding, action, or appeal thereon, shall be entitled to reasonable attorneys' fees. Such fees may be awarded in the same suit or recovered in a separate suit, whether or not such action or proceeding is pursued to decision or judgment. The term, " Prevailing Party" shall include, without limitation, a Party or Broker who substantially obtains or defeats the relief sought, as the case may be, whether by compromise, settlement, judgment, or the abandonment by the other Party or Broker of its claim or defense. The attorneys' fees award shall not be computed in accordance with any court fee schedule, but shall be such as to fully reimburse all attorneys' fees reasonably incurred. In addition, Lessor shall be entitled to attorneys' fees, costs and expenses incurred in the preparation and service of notices of Default and consultations in connection therewith, whether or not a legal action is subsequently commenced in connection with such Default or resulting Breach (\$200 is a reasonable minimum per occurrence for such services and consultation).

32. **Lessor's Access; Showing Premises; Repairs.** Lessor and Lessor's agents shall have the right to enter the Premises at any time, in the case of an emergency, and otherwise at reasonable times for the purpose of showing the same to prospective purchasers, lenders, or Lessees, and making such alterations, repairs, improvements or additions to the Premises as Lessor may deem necessary. All such activities shall be without abatement of rent or liability to Lessee. Lessor may at any time place on the Premises any ordinary "For Sale" signs and Lessor may during the last 6 months of the term hereof place on the Premises any ordinary "For Lease" signs. Lessee may at any time place on the Premises any ordinary "For Sublease" sign.

33. **Auctions.** Lessee shall not conduct, nor permit to be conducted, any auction upon the Premises without Lessor's prior written consent, which consent shall be granted or denied at Lessor's sole discretion.

34. **Signs.** All signs must comply with all Applicable Requirements. Lessee shall not place, construct, or maintain on the glass panes or supports of the show windows of the Premises, the doors, exterior walls or the roof of the Building, or anywhere else within the Shopping Center outside of the Premises, or on any interior portions of the Premises that are visible from the exterior of the Premises, any signs, advertisements, names, insignia, trademarks, descriptive material or any other items without Lessor's prior written consent, which

consent shall be granted or denied at Lessor's sole discretion. Lessor shall designate the size, shape, color, design, and location of all exterior sign(s) to be installed by Lessee, and Lessee shall, at Lessee's sole cost and expense, fabricate, construct and install all such sign(s) in full compliance with Lessor's designation and in accordance with the Sign Criteria for the Shopping Center attached hereto, if any. Lessee agrees to submit plans and specifications for Lessee's sign(s) for Lessor's written approval within 30 days after the full execution hereof and to install such sign(s) prior to opening for business at the Premises. Lessor, at Lessee's cost, may remove any item placed, constructed or maintained in, upon or about the Premises or Shopping Center which does not comply with this paragraph. All signs that are permanently attached to the Premises or Building shall become the property of Lessor at the expiration or earlier termination hereof; provided, however, that Lessee shall promptly remove all such signs if Lessor so elects, and Lessee shall promptly repair all damage caused by such removal. Lessee shall not place, construct or maintain in, upon or about the Premises any search lights, flashing lights, loudspeakers, phonographs or other visual or audio media.

35. **Termination**. Merger. Unless specifically stated otherwise in writing by Lessor, the voluntary or other surrender of this Lease by Lessee, the mutual termination or cancellation hereof, or a termination hereof by Lessor for Breach by Lessee, shall automatically terminate any sublease or lesser estate in the Premises; provided, however, that Lessor may elect to continue any one or all existing subtenancies. Lessor's failure within 10 days following any such event to elect to the contrary by written notice to the holder of any such lesser interest, shall constitute Lessor's election to have such event constitute the termination of such interest.

36. **Consents**. Except as otherwise provided herein, wherever in this Lease the consent of a Party is required to an act by or for the other Party, such consent shall not be unreasonably withheld or delayed. In those express instances where consent is within the sole discretion of a party, the party shall have no obligation to adhere to a standard of reasonableness. Lessor's actual reasonable costs and expenses (including but not limited to architects', attorneys', engineers' and other consultants' fees) incurred in the consideration of, or response to, a request by Lessee for any Lessor consent, including but not limited to consents to an assignment, a subletting or the presence or use of a Hazardous Substance, shall be paid by Lessee upon receipt of an invoice and supporting documentation therefor. Lessor's consent to any act, assignment or subletting shall not constitute an acknowledgment that no Default or Breach by Lessee of this Lease exists, nor shall such consent be deemed a waiver of any then existing Default or Breach, except as may be otherwise specifically stated in writing by Lessor at the time of such consent. The failure to specify herein any particular condition to Lessor's consent shall not preclude the imposition by Lessor at the time of consent of such further or other conditions as are then reasonable with reference to the particular matter for which consent is being given. In the event that either Party disagrees with any determination made by the other hereunder and reasonably requests the reasons for such determination, the determining party shall furnish its reasons in writing and in reasonable detail within 10 business days following such request.

37. **Guarantor**. The Guarantor, if any, shall each execute a guaranty in the form reasonably required by Lessor, attached as Exhibit F.

37.2 **Default**. It shall constitute a Default of the Lessee if any Guarantor fails or refuses, upon request to provide: (a) evidence of the execution of the guaranty, including the authority of the party signing on Guarantor's behalf to obligate Guarantor, and in the case of a corporate Guarantor, a certified copy of a resolution of its board of directors authorizing the making of such guaranty, (b) current financial statements, (c) an Estoppel Certificate, or (d) written confirmation that the guaranty is still in effect.

38. **Quiet Possession**. Subject to payment by Lessee of the Rent and performance of all of the covenants, conditions and provisions on Lessee's part to be observed and performed under this Lease, Lessee shall have quiet possession and quiet enjoyment of the Premises during the term hereof.

39. **Security Measures**. Lessee hereby acknowledges that the Rent payable to Lessor hereunder does not include the cost of guard service or other security measures, and that Lessor shall have no obligation

whatsoever to provide same. Lessee assumes all responsibility for the protection of the Premises, Lessee, its agents and invitees and their property from the acts of third parties. While Lessor does not assume any responsibility to provide any security measures or any liability for failure to provide security measures or for any inadequacy thereof, Lessor shall have the authority to institute or continue such security measures as Lessor in its sole discretion deems necessary or appropriate from time to time, the cost and expenses of which shall be considered Common Area Operating Expenses. To the degree directed by Lessor, Lessee shall coordinate its security measures at the Premises with the security measures instituted by Lessor, if any.

40. **Reservations.** Lessor reserves the right: (i) to grant, without the consent or joinder of Lessee, such easements, rights and dedications that Lessor deems necessary, (ii) to cause the recordation of parcel maps and restrictions, and (iii) to create and/or install new utility raceways, so long as such easements, rights, dedications, maps, restrictions, and utility raceways do not unreasonably interfere with the use of the Premises by Lessee. Lessee agrees to sign any documents reasonably requested by Lessor to effectuate such rights.

41. **Building Planning.** Lessor shall have the right at any time or times, upon giving Lessee not less than 60 days prior written notice, to provide and furnish Lessee with space of comparable visibility located elsewhere within any of the buildings within the Shopping Center and to move Lessee into such new space, provided that the usable area of such new space is not less than the usable area of the Premises and provided that all of Lessee's reasonable out-of-pocket moving expenses (including but not limited to the cost of moving Lessee's personal property, the cost of reprinting Lessee's stationery or other business materials with the new address, and the cost to relocate and reinstall Lessee improvements and Lessee's telecommunications and computer equipment) shall be paid by Lessor, and provided further that Lessor shall construct at Lessor's expense such improvements to such new space as shall be necessary to place it in a condition that is substantially comparable to the Premises. Except as provided in the immediately preceding sentence, Lessor shall have no obligation to improve such space or pay any other expenses incurred by Lessee as a result of such relocation. On such relocation, the terms and conditions of this Lease shall remain in full force and effect, including but not limited to the Base Rent payable hereunder and Lessee's Share (even if the usable area of such relocated Premises is in excess of the usable area of the Premises), except that the Premises shall be in such new location. Upon Lessor's request, the Parties shall execute an amendment to this Lease in form required by Lessor confirming the relocation of the Premises to such new location. If the new space does not meet with Lessee's approval, which approval Lessee shall give or withhold in accordance with Paragraph 36, Lessee shall have the right to cancel this Lease by giving Lessor written notice thereof within 15 days of receipt of Lessor's notification of its intent to relocate Lessee. Lessee's failure to give such notice within such 15-day period shall be deemed Lessee's approval of the new space. If timely notice is given by Lessee, then this Lease shall terminate unless Lessor rescinds Lessor's prior notice of its intent to relocate Lessee within 10 days after Lessor's receipt of Lessee's notice of cancellation.

42. **Performance Under Protest.** If at any time a dispute shall arise as to any amount or sum of money to be paid by one Party to the other under the provisions hereof, the Party against whom the obligation to pay the money is asserted shall have the right to make payment "under protest" and such payment shall not be regarded as a voluntary payment and there shall survive the right on the part of said Party to institute suit for recovery of such sum. If it shall be adjudged that there was no legal obligation on the part of said Party to pay such sum or any part thereof, said Party shall be entitled to recover such sum or so much thereof as it was not legally required to pay.

43. **Authority.** If either Party hereto is a corporation, trust, limited liability company, partnership, or similar entity, each individual executing this Lease on behalf of such entity represents and warrants that he or she is duly authorized to execute and deliver this Lease on its behalf. Each Party shall, within 30 days after request, deliver to the other Party satisfactory evidence of such authority.

44. **Conflict.** Any conflict between the printed provisions of this Lease and the typewritten or handwritten provisions shall be controlled by the typewritten or handwritten provisions.

45. **Offer.** Preparation of this Lease by either Party or their agent and submission of same to the other Party shall not be deemed an offer to lease to the other Party. This Lease is not intended to be binding until executed and delivered by all Parties hereto.

46. **Amendments.** This Lease may be modified only in writing, signed by the Parties in interest at the time of the modification. As long as they do not materially change Lessee's obligations hereunder, Lessee agrees to make such reasonable non-monetary modifications to this Lease as may be reasonably required by a Lender in connection with the obtaining of normal financing or refinancing of the Premises.

47. **Multiple Parties.** If more than one person or entity is named herein as either, Lessor or Lessee, such multiple Parties shall have joint and several responsibility to comply with the terms of this Lease.

48. **Waiver of Jury Trial.** The Parties hereby waive their respective rights to trial by jury in any action or proceeding involving the Property or arising out of this Agreement.

49. **Option to Extend.** If Lessee is granted an Option, as defined below, then the following provisions shall apply.

49.1 **Definition.** "Option" shall mean the right to extend the Term of or renew this Lease.

49.2 **Options Personal To Original Lessee.** Any Option granted to Lessee in this Lease is personal to the original Lessee, and cannot be assigned or exercised by anyone other than said original Lessee and only while the original Lessee is in full possession of the Premises and, if requested by Lessor, with Lessee certifying that Lessee has no intention of thereafter assigning or subletting.

49.3 **Effect of Default on Options.**

- (a) Lessee shall have no right to exercise an Option: (i) during the period commencing with the giving of any notice of Default and continuing until said Default is cured, (ii) during the period of time any Rent is unpaid (without regard to whether notice thereof is given Lessee), (iii) during the time Lessee is in Breach of this Lease, or (iv) in the event that Lessee has been given 3 or more notices of separate Default, whether or not the Defaults are cured, during the 12 month period immediately preceding the exercise of the Option.
- (b) The period of time within which an Option may be exercised shall not be extended or enlarged by reason of Lessee's inability to exercise an Option because of the provisions of Paragraph 49.4(a). An Option shall terminate and be of no further force or effect, notwithstanding Lessee's due and timely exercise of the Option, if, after such exercise and prior to the commencement of the extended term or completion of the purchase, (i) Lessee fails to pay Rent for a period of 30 days after such Rent becomes due (without any necessity of Lessor to give notice thereof), or (ii) if Lessee commits a Breach of this Lease.

49.4 **Option to Renew.**

- (a) Provided Lessee is not in default under any provision of the Lease and has faithfully performed the terms or conditions of the Lease and Lessee is in actual physical possession of all of the Leased Premises (and operating and open for business as contemplated by this Lease, in all of the Leased Premises), Lessee shall have the right to extend the Term of this Lease for one (1) additional period of seven (7) years (the "Extended Term") commencing upon the expiration of the Extended Term hereof upon all the same terms and conditions as presently exist, except that the annual base rental rate shall be at Fair Market Value as defined in Article 49.4(b) and (c) below: Lessee shall give Lessor written notice of such election no earlier than three hundred sixty-five (365) and no later than two hundred seventy (270) days prior to the expiration of the

Extended Term. TIME IS OF THE ESSENCE WITH RESPECT TO THIS ARTICLE. Such notice of election to extend the Term of the Lease shall be irrevocable. Except as expressly otherwise provided herein, the Extended Term shall be upon all of the terms and conditions of the Lease except that any articles which were intended to be one time, initial provisions or concessions (such as free Rent, Lessor Work, or a Lessee improvement allowance) shall be deemed to have been satisfied and shall not apply to any Extended Term. Also, there is no option to further extend the Term of the Lease beyond the expiration date of the Extended Term. The renewal option set forth in this Article is exclusively for the benefit of the Lessee under this Lease.

(b) Within fifteen (15) days after receipt of Lessor's determination of Fair Market Rent, Lessee may either accept Lessor's determination of Fair Market Rent or provide Lessor with Lessee's own determination of Fair Market Rent. In the event that Lessor and Lessee are unable to agree upon the Fair Market Rent of the Premises within fifteen (15) days after Lessor's receipt of Lessee's determination of Fair Market Rent ("Review Period"), then the fair market rent shall be determined by appraisal in the manner provided below. Until the appraisal procedures are finalized, Lessee shall continue to pay to Lessor the amount of Base Rent due during the immediately preceding Lease year ("Interim Rent Period"). After the determination of the appraisers is final, and it is determined that Lessee overpaid Base Rent during the Interim Rent Period, Lessor shall then promptly reimburse Lessee for any overpayment by Lessee of Base Rent. After the determination of the appraisers is final, and it is determined that Lessee underpaid Base Rent during the Interim Rent Period, Lessee shall promptly make payment to Lessor for any underpayment of Base Rent.

(c) The Fair Market Rent of the Premises shall be determined as follows: If at the end of the Review Period, Lessor and Lessee fail to agree on Fair Market Rent, Lessor shall select, at Lessor's sole cost and expense, an MAI appraiser and Lessee shall engage, at Lessee's sole cost and expense, an MAI appraiser. The two (2) MAI appraisers shall meet and attempt to reach an agreement as to Fair Market Rent on or before fifteen (15) days after the end of the Review Period. In the event the two appraisers do not reach an agreement and Lessors appraisal and Lessees appraisal are within 15% of each other, then the Fair Market Rent shall be averaged between the two appraisals and shall be final and binding on the parties. In the event the Lessor's appraisal and Lessee's appraisal are greater than a 15% difference in Fair Market Rent and the two appraisers are unable to reach a timely agreement within said fifteen (15) days, they shall then together select a third MAI appraiser within five (5) days of Lessee's receipt of Lessor's notice. Within fifteen (15) days after the third MAI appraiser's selection, the third MAI appraiser shall appraise the Premises ("Third Appraisal") and shall make a final determination of fair market rent. The third appraiser shall immediately forward the final appraisal report to Lessor and Lessee. The Third Appraisal shall be final and shall be binding on the parties. Lessor and Lessee shall equally pay for the costs of the Third Appraisal. Each MAI appraiser shall have at least five (5) years of commercial real estate experience in Solano County. Fair Market Rent means the annual rental rate per square foot then being charged in Fairfield and Suisun City, CA, for space comparable to the space for which the market rate is being determined (taking into consideration, use, location, quality, age, location of applicable premises and rent concessions).

(d) However, in no event shall the Base Rent entering the Option period be less than a 108% increase from the previous year's Rent, and the Base Rent shall increase 3% annually during the Option Term.

50. **Americans with Disabilities Act.** In the event that as a result of Lessee's use, or intended use, of the Premises the Americans with Disabilities Act or any similar law requires modifications or the construction or installation of improvements in or to the Premises, Building, Project and/or Common Areas, the Parties agree that such modifications, construction or improvements shall be made at Lessee's expense.

51. **Americans with Disabilities Act Disclosure.** Pursuant to California Civil Code Section 1938, Lessor hereby notifies Lessee that as of the Effective Date, the Premises have not undergone inspection by a "Certified Access Specialist" ("CASp") to determine whether the Premises meet all applicable construction-related accessibility standards under California Civil Code Section 55.53. Lessor hereby discloses pursuant to California Civil Code Section 1938 as follows: "A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or Lessee from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or Lessee, if requested by the lessee or Lessee. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises." Lessor and Lessee hereby acknowledge and agree that in the event that Lessee elects to perform a CASp inspection of the Premises hereunder (the "Inspection"), such Inspection shall be (a) performed at Lessee's sole cost and expense, (b) limited to the Premises and (c) performed by a CASp who has been approved or designated by Lessor prior to the Inspection. Any Inspection must be performed in a manner which minimizes the disruption of business activities in the Premises, and at a time reasonably approved by Lessor. Lessor reserves the right to be present during the Inspection. Lessee agrees to: (i) promptly provide to Lessor a copy of the report or certification prepared by the CASp inspector upon request (the "Report"), (ii) keep the information contained in the Report confidential, except to the extent required by law, or to the extent disclosure is needed in order to complete any necessary modifications or improvements required to comply with all applicable accessibility standards under state or federal law, as well as any other repairs, upgrades, improvements, modifications or alterations required by the Report or that may be otherwise required to comply with applicable laws or accessibility requirements (the "Access Improvements"). Lessor is solely responsible for any disability access violations in the Project, excluding within the Premises, shall indemnify Lessee, and hold Lessee harmless, unless caused by Lessee, its' employees, agents, or invitees.

52. **Lessee's Gross Sales Reports.** Within ten (10) days following the end of each calendar month during the Term (including a partial calendar year at the beginning or end of the Term), Lessee shall send to Lessor at the address set forth below or such other place as Lessor directs Lessee in writing, a written report of Lessee's Gross Sales (as hereinafter defined) made in the Premises for such calendar month just ended.

53. **Project Approvals.** For the avoidance of any doubt the timeframes contained herein related to Project Approvals, will likely either overlap or run concurrently with Lessee's Due Diligence Condition as further defined herein. Lessee shall submit to the City for its Project Approvals (defined below) on or before the date that is ten business (10) days following Lessor's approval (which may happen concurrently while Lessee submits its' application to the City) of Lessee's application, plans and specifications. Lessee shall work continuously and diligently until said Project Approvals are received. In the event that Lessee has not received, prior to the date which is 270 days after the date upon which Lessee has submitted its' application to the City ("Approval Period"), any and all necessary and required local, state, and private permits, licenses, variances, consents and approvals (collectively "Project Approvals") which give Lessee the ability to construct Lessee's initial improvements to the Premises and do business as a retail cannabis dispensary including, without limitation, building permits, and a business license to allow Lessee to cannabis at the Premises, Lessee shall have the right, at its sole option, to terminate this Lease by notifying Lessor in writing of its election to so terminate prior to the expiration of the Approval Period; provided, however, Lessee's right to terminate the Lease pursuant to this Section 53 shall not be deemed waived until Lessor provides written notice to Lessee of its failure to terminate as required herein and Lessee's failure to so terminate continues for a period of five (5) business days following receipt of said notice. Notwithstanding anything

herein to the contrary, Lessee shall have the right to extend the Approval Period upon written notice to Lessor given prior to the expiration of the Approval Period until such time as all the applicable authorities have made a formal decision and all applicable appeal periods have expired but no more than ninety (90) days following the Approval Period. Notwithstanding the foregoing, if Lessee is unsuccessful in obtaining its necessary Project Approvals prior to the expiration of the Approval Period and elects to terminate the Lease pursuant to this Section 53, Lessor shall have the right, but not the obligation, to obtain said Project Approvals on Lessee's behalf, at no cost to Lessor, for a period of seventy (70) days following the expiration of the Approval Period, before Lessee's termination of the Lease shall become effective. Lessor shall notify Lessee in writing within five (5) days after receipt of Lessee's termination notice pursuant to this Section 53 if it shall elect to pursue the Project Approvals on Lessee's behalf. If Lessor elects to pursue the Project Approvals on Lessee's behalf pursuant to this Section 53 and neither Lessee nor Lessor are able to obtain the Approvals within seventy (70) days following the expiration of the Approval Period, then the Lease shall automatically terminate. Upon such termination, both parties shall be released from any further obligations hereunder. Lessor shall use reasonable efforts, at no costs to Lessor, to assist Lessee in obtaining all necessary Approvals.

Lessee shall submit its plans for the Premises to the City for approval within fifteen (15) days following Project Approvals, provided that Lessor provided its comments and approvals Lessee's plans within the time frames set forth below. Lessor and Lessee hereby acknowledge that Lessor has not completed construction drawings for the Premises. Lessee hereby agrees to promptly provide Lessor with a full and complete set of final construction drawings (including, without limitation, a floor plan, mechanical, electrical, and plumbing plan, civil plan (if any), structural plan (if any), architectural plan, and exterior elevations) for the Premises and standard signage specifications for the Shopping Center in electronic format (collectively, "Lessee's Plans") prior to submitting the plans to the City for Lessee's interior tenant improvement building permit. Lessor shall have ten (10) days from receipt of Lessee's Plans to approve of, or object to, Lessee's Plans in writing. Lessor must provide specific reasons and instructions regarding any disapproved matters. Lessee shall make any revisions or edits (if any) necessary and shall re-submit to Lessor for additional review within ten (10) days and this process shall continue until Lessee's Plans are approved by Lessor; provided, however, if any change requested by Lessor is not approved by the City, then said request changes are not required to be in the final and permitted plans. If Lessor fails to respond within any applicable ten (10) day period, Lessee's Plans shall be deemed approved by Lessor. In the event that Lessee's tenant improvement building permit is not approved, issued, picked up by Lessee's contractor/agent, and work has not commenced within one hundred fifty (150) days after Lessee has received Project Approvals, Lessor may terminate the Lease by providing Lessee with a thirty (30) day notice which may be held in abeyance if Lessee believes building permits will be issued within thirty (30) days after receipt of a termination notice. Upon such termination, both parties shall be released from any further obligations hereunder, except that Lessor shall promptly refund any amount paid to it by Lessee specifically provided hereunder.

54. **Due Diligence / Feasibility Period** For the avoidance of any doubt the timeframes contained herein related to Lessee's Due Diligence Condition, will likely either overlap or run concurrently with Project Approvals. From the full execution of this Lease to and until the Due Diligence Deadline, Lessee shall have the right, as Lessee deems necessary in its sole and absolute discretion, to: (a) obtain information about the Premises and complete its review of such information, and (b) perform all tests, inspections and investigations of the Premises, including without limitation, those relating to the legal, physical, and operating a business in the Premises and the costs of constructing Lessee's Work and/or other examinations of the Premises that Lessee deems appropriate; provided, however, any tests performed at the Premises may only be performed after first providing written notice to Lessor and giving Lessor the opportunity to have a representative present at the Premises while such tests are being performed. Lessor hereby expressly grants to Lessee and its employees, agents and contractors the right to enter the Premises for such purposes set forth above (provided, however, no Phase II or invasive testing of the Premises by Lessee or any employee, agent or contractor thereof may occur without the approval of Lessor, which approval may be given or withheld in Lessor's sole and absolute discretion). It is a condition precedent ("Lessee's Due Diligence Condition") to Lessee's continuing obligations under this Lease that Lessee shall have determined that the results of

Lessee's inspections, examinations and investigations as specified above are acceptable to Lessee in its sole and absolute discretion. If Lessee determines that Lessee's Due Diligence Condition is not satisfied for any reason whatsoever or no reason, Lessee, by written notice stating the reason that Lessee's Due Diligence Condition is not satisfied given to Lessor at any time before the Due Diligence Deadline, shall have the right to terminate this agreement. If Lessee elects to terminate this Lease as provided in this Article 54, the Parties shall have no further obligations under this Lease, except for the Surviving Obligations. If Lessee does not elect to terminate this Lease by notice given to Lessor prior to the Due Diligence Deadline, Lessee's Due Diligence Condition shall be deemed waived and Lessee shall have no further right to terminate this Lease under this Article 54.

55. **Facsimile and Electronic Mail Execution; Counterparts.** This Lease may be executed by the parties exchanging signatures by facsimile, DocuSign, or e-mail and in any number of counterparts, so long as each party shall have executed at least one counterpart hereof, all of which, when taken together, shall constitute one and the same original agreement. Signatures of the parties transmitted by facsimile, scanned, e-mail, or DocuSign shall be deemed to be their original signatures for all purposes.

LESSOR AND LESSEE HAVE CAREFULLY READ AND REVIEWED THIS LEASE AND EACH TERM AND PROVISION CONTAINED HEREIN, AND BY THE EXECUTION OF THIS LEASE SHOW THEIR INFORMED AND VOLUNTARY CONSENT THERETO. THE PARTIES HEREBY AGREE THAT, AT THE TIME THIS LEASE IS EXECUTED, THE TERMS OF THIS LEASE ARE COMMERCIALY REASONABLE AND EFFECTUATE THE INTENT AND PURPOSE OF LESSOR AND LESSEE WITH RESPECT TO THE PREMISES.

ATTENTION: NO REPRESENTATION OR RECOMMENDATION IS MADE BY ANY BROKER AS TO THE LEGAL SUFFICIENCY, LEGAL EFFECT, OR TAX CONSEQUENCES OF THIS LEASE OR THE TRANSACTION TO WHICH IT RELATES. THE PARTIES ARE URGED TO:

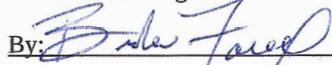
1. SEEK ADVICE OF COUNSEL AS TO THE LEGAL AND TAX CONSEQUENCES OF THIS LEASE.
2. RETAIN APPROPRIATE CONSULTANTS TO REVIEW AND INVESTIGATE THE CONDITION OF THE PREMISES. SAID INVESTIGATION SHOULD INCLUDE BUT NOT BE LIMITED TO: THE POSSIBLE PRESENCE OF HAZARDOUS SUBSTANCES, THE ZONING OF THE PREMISES, THE STRUCTURAL INTEGRITY, THE CONDITION OF THE ROOF AND OPERATING SYSTEMS, COMPLIANCE WITHH THE AMERICANS WITH DISABILITIES ACT AND THE SUITABILITY OF THE PREMISES FOR LESSEE'S INTENDED USE. WARNING: IF THE PREMISES ARE LOCATED IN A STATE OTHER THAN CALIFORNIA, CERTAIN PROVISIONS OF THE LEASE MAY NEED TO BE REVISED TO COMPLY WITH THE LAWS OF THE STATE IN WHICH THE PREMISES ARE LOCATED.

The parties hereto have executed this Lease at the place and on the dates specified above their respective signatures.

LESSOR:

CENTRE PLACE WALNUT CREEK, LLC,
a California limited liability company

By: Hall Equities Group,
a California corporation,
its Authorized Agent

By: 

Name: Brandon Farrell

Title: Senior Vice President

Address:

1855 Olympic Blvd., # 300
Walnut Creek, CA 94596
Attention: Retail Portfolio Manager
PH: 925-933-4000
FX: 925-933-4150
E-MAIL: notices@hallequitesgroup.com

With a copy to:

c/o Hall Equities Group
1855 Olympic Blvd., Suite 300
Walnut Creek, CA 94596
Attention: Chief Operating Officer
E-MAIL: notices@hallequitesgroup.com

LESSEE:

SGI SUISUN LLC,
a California limited liability company

By: Brian Mitchell
Brian Mitchell (May 7, 2020)

Name: Brian Mitchell

Title: CEO

Address:

SGI SUISUN LLC
c/o Shryne Group Inc.
728 E Commercial
Los Angeles, CA
PH: (415)336-0374
FX: N/A
E-MAIL: brian.mitchell@shrynegroup.com

Exhibit "A"
Lease Addendum

(Attached.)

ADDENDUM TO STANDARD RETAIL LEASE

1. Integral Part. This Addendum to Standard Retail Lease (this “Addendum”) is an integral part of the Standard Retail Lease to which this Addendum is attached. The term “the Lease” means such Standard Retail Lease and the term “this Lease” means the Lease and this Addendum taken together. In the event of a conflict between the Lease and this Addendum, this Addendum shall control.

2. Early Termination. Lessor shall have the right upon Lessor’s sole election, upon five (5) days’ written notice to Lessee or, if sooner, upon the effective date of any court order, to terminate this Lease in the event any of these causes (each, an “Early Termination Event”) arise:

(a) The seizure by governmental authority seeking forfeiture of the building housing the Premises, whether or not the court proceeding has actually commenced;

(b) The entry of judgment (whether final or not) that has the effect (whether by restraining order, injunction, declaration, or otherwise) of establishing Lessee’s use of the Premises or Common Areas constitutes a public or private nuisance;

(c) The commencement of an action under any federal, state, or local law (ordinance) or regulation seeking remediation of the Premises or any portion of the building housing the Premises as a result of a violation by the Lessee of any “Mandate” (as hereinafter defined) pertaining to environmental sensitivity or commission of waste, irrespective of Lessee’s intent and course of action following its commencement;

(d) A final, appealable judgment having the effect of establishing that Lessee’s operation violates Lessor’s contractual obligations (i) pursuant to any private covenants of record restricting Lessor’s building housing the Premises, (ii) good faith dealing to any third party, including other tenants of the building housing the Premises or occupants of any other building within the Project, or (iii) pursuant to its obligations under its mortgage agreement with Lessor’s bank; or

(e) An event that (i) requires closure of the building for more than thirty (30) consecutive days for remediation of materially adverse circumstances created by Lessee’s use of the Premises, or for more than forty-five (45) nonconsecutive calendar days within a three hundred sixty (360)-consecutive day period, or (ii) causes Lessor’s insurance carrier to cancel coverage on the building housing the Premises (the “Building”) unless Lessee procures comparable coverage for the entire Building within one (1) business day thereafter, and commences and thereafter continues to pay any premium cost in excess of the premium (pre-cancellation) paid by Lessor without credit or offset against the rent reserved under this Lease.

In addition to covenants of indemnity made in this Lease by Lessee, Lessee specifically agrees to indemnify and hold harmless Lessor from and against damages or losses Lessor incurs as a result of an Early Termination Event.

3. Use of Premises. The Premises shall be used only by Lessee to carry out a lawful cannabis business in accordance with the laws of the State of California and the ordinances (including zoning ordinances) of the City of Suisun City (collectively, the “Applicable Laws”),

namely and specifically, the retail or dispensary sale of cannabis products ("Cannabis Products") and related goods permitted by Applicable Law and reasonable administrative purposes associated therewith and for no other purposes. Lessee shall not sell or display any other psychoactive drug or product containing any psychoactive component other than cannabis, including, but not limited to, psilocybin, whether or not the same are permitted under the Applicable Laws. Cannabis Products may not be consumed in the Premises by any persons and Lessee shall take commercially reasonable efforts to prevent (a) the consumption of Cannabis Products in the Shopping Center by Lessee's patrons and (b) loitering or congregating in the Common Areas. If Lessee fails to perform its obligations under the immediately prior sentence to the reasonable satisfaction of Lessor, Lessor, at the cost of Lessee (which shall be deemed additional rent due under this Lease), may engage a security service to enforce compliance with such obligations. Lessee may not sell or trade in merchandise which, under the laws of the State of California, is required to be dispensed by or under the supervision of a registered or licensed pharmacist.

4. Inspection of Premises. Lessor shall have the right, at any time any portion of the Premises is occupied by Lessee's principals, agents, or contractors, to enter the Premises for the purposes of ensuring compliance with the covenants, warranties, and representations of Lessee under this Lease. If required under Applicable Laws, Lessor must be accompanied by authorized Lessee personnel while inspecting limited access areas to ensure compliance with the California Medicinal and Adult Use Cannabis Regulation and Safety Act.

5. Compliance with Laws; Lessee's Duty to Comply. The parties acknowledge that myriad regulations and local, state, and federal laws govern the operation of Lessee's use and that Lessee alone will be responsible for compliance with all Mandates and other requirements of any nature. Lessee's foregoing obligation shall encompass (a) all Applicable Laws (including, but not limited to, applicable restrictions on advertising); and (b) all federal laws to the extent those laws are not inconsistent with the Applicable Laws allowing Lessee to use the Premises for the permitted uses specified in Paragraph 1 above. The covenant to comply encompasses all laws that become effective before and during the Lease term, as may be extended (collectively, the "Mandates"), regardless of the cost of such compliance. Lessee's inability to comply with the Mandates shall be grounds for termination of this Lease by Lessor.

6. Surrender. Lessee's covenant to comply with all applicable Mandates shall apply equally to dismantling Lessee's operations at the end of the term and surrender of the Premises. Lessee hereby covenants to dispose, according to Mandates, all unused inventory, refuse and scrap materials and thereafter clean to commercially acceptable standards (including sterilization of impermeable surfaces, wall to wall and ceiling to floor) all floors, walls, immovable fixtures, and air ducts serving the Premises. Lessor has absolutely no obligation to return the Security Deposit to Lessee until an inspection of the Premises discloses that the above cleaning and disposal, and removal of alterations required hereby have been satisfactorily completed.

7. Lessee's Security Requirements. Lessee, at Lessee's expense, shall (a) install, keep operative, and monitor an exterior video surveillance system, and (b) at Lessor's option (and as a matter of Lessor's sole and absolute discretion), provide for an on-site security guard on a 24-hour/7 days a week basis.

8. Payment of Rent. Base Rent and all other amounts payable by Lessee under this Lease are “rent” for the purpose of California’s unlawful detainer laws. All rent payable to Lessor shall be paid by wire transfer or bank check drawn on a US-based bank first approved in writing by Lessor. Lessor will not accept cash payment of rent.

Exhibit "B"
Site Plan

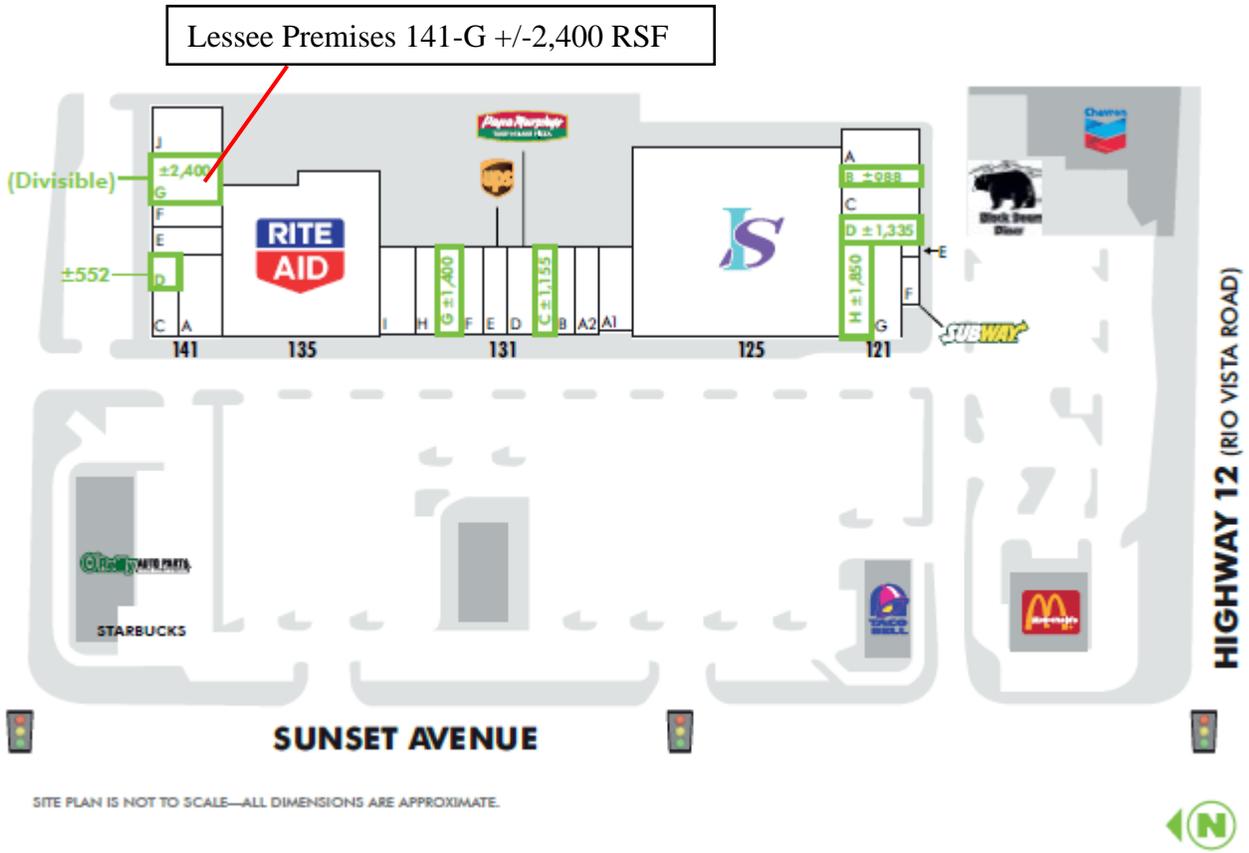


EXHIBIT "C"
Sunset Shopping Center
Rules and Regulations

A. COMMON AREA

1. All Tenants shall use their best efforts to require their respective customers, invitees and employees to comply with all regulations with respect to the Common Area, including, but not by way of limitation, posted speed limits, directional markings and parking stall markings.

2. All of the Common Area shall be maintained free from any obstructions not required, including the prohibition of the sale or display of merchandise outside the exterior walls of buildings within the shopping Center, including those within any recessed area, except in areas specifically designed within the said Shopping Center for such purposes; Sidewalk Sales as may be permitted in leases excepted.

B. STORE INTERIORS

1. All store interiors including vestibules, entrances, and return, doors, fixtures, windows and plate glass shall be maintained in a safe, neat and clean condition.

2. All trash, refuse and waste materials shall be regularly removed from the premises of each tenant of the Shopping Center, and until removal shall be stored:

(a) in adequate containers, which such containers shall be located so as not to be visible to the general public shopping in the Shopping Center, and

(b) so as not to constitute any health or fire hazard or nuisance to any Occupant.

3. No portion of the Shopping Center shall be used for lodging purposes.

4. Neither sidewalks nor walkways shall be used to display, store or replace any merchandise, equipment or devices, except as may be permitted in A.2.

5. No advertising medium shall be utilized which can be heard or experienced outside of any store interior, including, without limiting the generality of the foregoing, flashing lights, searchlights, loud speakers, phonographs, radios or television.

6. No use shall be made of the Shopping Center or any portion or portions thereof which would:

(a) violate any law, ordinance or regulation,

(b) constitute a nuisance,

(c) constitute an extra hazardous use, or

(d) violate, suspend or void any policy or policies of insurance on the Stores.

7. Each tenant shall use its best efforts to require all trucks servicing the facilities of tenant to load and unload prior to the hours of the Shopping Center opening for business to the general public.

8. No advertising medium shall be utilized within the Shopping Center which can be seen or experienced outside the premises of any tenant advertising any auction, fire, bankruptcy or going out of business sale

C. CONDUCT OF PERSONS

The following rules and regulations for the use of roadways, walkways, automobile parking areas, and other common facilities provided for the use of tenants and their customers, invitees and employees are hereby established:

1. No person shall use any roadway or walkway except as a means of egress from or ingress to any store within the Shopping Center and automobile parking areas within the Shopping Center, or adjacent public streets. Such use shall be in an orderly manner, in accordance with the directional or other signs or guides. Roadways shall not be used for parking or stopping, except for the immediate loading or unloading of passengers. No walkway shall be used for other than pedestrian travel.

2. No person shall use any automobile parking areas except for the parking of motor vehicles during the period of time such person or the occupants of such vehicle are customers or business invitees of the retail establishments within the Shopping Center. All motor vehicles shall be parked in an orderly manner within the painted lines defining the individual parking places. During peak periods of business activity, limitations may be imposed as to the length of time for parking use. Such limitations may be made in specified areas as deemed necessary by management.

3. No person shall use any utility area, truck court or other area reserved for use in connection with the conduct of business, except for the specific purpose for which permission to use such area is given.

4. No employee of any business in the Shopping Center shall use any area for motor vehicle parking, except the area or areas specifically designated for employee parking for the particular period of time such use is to be made.

5. No person, without the written consent of Landlord shall in or on any part of the Common Area:

(a) Vend, peddle or solicit orders for sale or distribution of any merchandise, device, service, periodical, book, pamphlet or other matter whatsoever.

(b) Exhibit any sign, placard, banner, notice or other written material.

(c) Distribute any circular, booklet, handbill, placard or other material.

(d) Solicit membership in any organization, group or association or contribution for any purpose.

(e) Parade, rally, patrol, picket, demonstrate or engage in any conduct that might tend to interfere with or impede the use of any of the Common Area by any Permittee, create a disturbance, attract attention or harass, annoy, disparage or be detrimental to the interest of any of the retail establishments within the Shopping Center.

(f) Use any Common Area for any purpose when none of the retail establishments within the Shopping Center is open for business or employment.

(g) Throw, discard or deposit any paper, glass or extraneous matter of any kind, except in designated receptacles, or create litter or hazards of any kind.

(h) Use any sound—making device of any kind or create or produce in any manner noise or sound that is annoying, unpleasant, or distasteful to tenants and their customers, invitees and employees.

(i) Deface, damage or demolish any sign, light standard or fixture, landscaping

material or other improvement within the Shopping Center, or the property of customers, business invitees or employees situated within the Shopping Center.

The listing of specific items as being prohibited is not intended to be exclusive, but to indicate in general the manner in which the right to use the Common Area solely as a means of access and convenience in shopping at the retail establishments in the Shopping Center is limited and controlled by Landlord.

Landlord and any tenant shall have the right to remove or exclude from or to restrain (or take legal action to do so) any unauthorized person from, or from coming upon, the shopping Center or any portion thereof, and prohibit, abate and recover damages arising from any unauthorized act, whether or not such act is in express violation of the prohibitions listed above. In so acting such party is not the agent of other parties or tenants of the Shopping Center, unless expressly authorized or directed to do so by such party or tenant in writing.

EXHIBIT "D"
Sunset Shopping Center
Existing Exclusives and Restrictions

Liberty Tax

Landlord shall not lease space to another tenant who derives more than 50% of its revenue from tax preparation service.

Papa Murphy's Pizza

Landlord agrees not to Lease to a tenant whose primary business is the sale of take and bake pizza and pasta (does not apply to existing Leases; nor does it apply to other tenants who are greater than 10,000 sf.

Metro by T-Mobile

Landlord will not hereafter enter into a new lease in the Shopping Center with a tenant whose principal permitted use is the sale of pre-paid cellular phones (the "Exclusive Use").

Suisun Wine & Spirits

Landlord will not directly lease space in the Shopping Center to any other tenant whose primary business will be the sale of distilled spirits, beer and wine (hereinafter a "Competing Business")-

This limitation shall not apply to any tenant who may sell distilled spirits, beer and wine for off premises consumption on an incidental basis (incidental shall be defined as not to exceed 10% of gross sales) and not as its primary business, or any tenant, present or future, that is 10,000 square feet or greater.

The UPS Store

Landlord will not lease to any tenant for the purpose of conducting as its principle business, the sale of or providing packaging and shipping for a profit, mail box rentals, UPS, DHL, FedEx and any other overnight delivery services for profit ("Restricted Items"). Restriction shall not apply to occupants that sell one or more of the Restricted Items as an incidental part of their business "incidental" shall be defined as sales secondary to the sale of primary goods and services offered). Landlord agrees to that it will not amend an existing lease to allow the sale of Restriction Items, except incidental sales.

In Shape

So long as Tenant is open and operating the Premises for the Use described in Section 5.1.1 herein, Landlord shall not use or allow any other person or entity (except Tenant) to use any portion of the Shopping Center for the purpose of the operation of a health and fitness center, which exclusive shall include but not be limited to an indoor jogging track, gymnasiums, swimming pools (indoor and outdoor), whirlpools, saunas, steam rooms, aerobics and/or floor exercise, free weights, exercise machinery and equipment, tanning, physical therapy and rehabilitative services, child nursery facilities, private training services, Pilates, gyrotonic exercise and cross fit. The exclusive set forth in this Section 4.1 shall not apply to (i) present tenants (or their assignees or sublessees) whose leases do not prohibit such use, or (u) places of instruction such as a martial arts studio or a dance school. In the event an existing tenant should request Landlord's consent to a change in use which would violate the foregoing, then provided Landlord has the right to withhold consent to such change of use. Landlord will not grant its consent to such assignment or subleasing,

Thrifty Drugs/Rite Aid

Tenant has the exclusive right to sell patent and other medicine and drugs and distilled spirits ("Drug Store Restriction"). Provided, however, that in no event shall this exclusive provision be construed to prohibit the supermarket and one liquor store situated in this Shopping Center from handling and selling any of the items which they customarily handle and sell, nor shall this exclusive be construed to prohibit one variety store, one department store and any restaurant situated on this Shopping Center from handling and

selling as an incidental part of its or their business those medicines which variety stores, department stores and restaurants customarily handle and sell.

Anything in the next preceding paragraph to the contrary notwithstanding, Lessee is hereby given for the duration of this Lease as it may be extended, the exclusive right and privilege in this Shopping Center of conducting a drug store and/or of handling and selling any and all items of merchandise which under- any law, rule, regulation or order promulgated by a competent governmental authority must be sold by, or in the presence of, a registered pharmacist.

Declaration

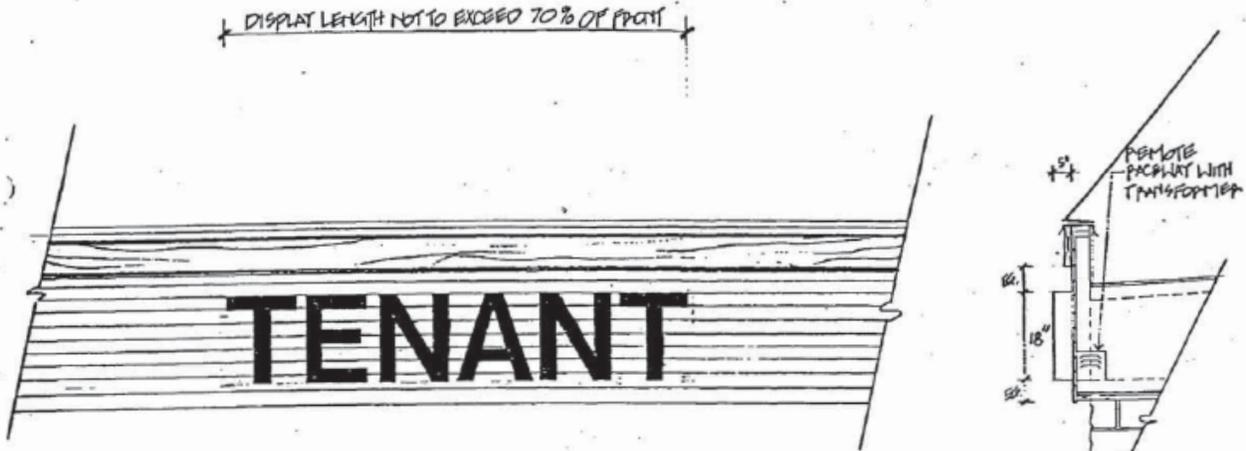
No portion of Parcel 1, 2 or 3 (parcel 2 being the Shopping Center) other than the area within the building limit lines on Parcel 2 shown as cross-hatched on Exhibit C shall be occupied or used, directly or indirectly, for the purposes of a general food market or a grocery store, meat market, fish market, fixit store, vegetable store, delicatessen, liquor store (selling beer, wine or distilled spirits), or any combination thereof; provided, however, that:

- the foregoing shall not prohibit one (1) delicatessen on Parcel 2 as long as it does not sell or offer for sale more than one hundred (300) lineal feet of individual shelf space of general grocery items;
- the foregoing shall not prohibit the existence of one (1) general off-sale alcoholic beverage license for the area within the building limit lines on Parcel 2 shown as single hatched on Exhibit C hereto, or one (1) general off-sale alcoholic beverage license on Parcel 2 in addition to those for the area within the building limit lines on Parcel 2 shown as cross-hatched on Exhibit C hereto and the area within the building limit lines on Parcel 2 shown as single-hatched on Exhibit C hereto, or the sale of beer and wine by the above referenced delicatessen;
- the foregoing shall not be deemed to apply to, nor to include in its terms, a Thrifty Drug and/or Discount Store (being a superdrug and/or discount store operated by Thrifty Corporation, a California corporation, its sub-lessees, assignees, or successors, selling items customarily sold by other stores of said Thrifty Corporation, or its corporate successor) or to apply to any other tenant operating a drug store in the area within the building limit lines on Parcel 2 shown as single-hatched on Exhibit C hereto upon the condition that it or they continue to conduct a typical superdrug and/or discount store business[es] and as long as such items as are customarily Sold by it or them do not include fresh or frozen meat, fresh or frozen fish, fresh or frozen vegetables, or fresh fruits,
- The provisions of this Paragraph 1 shall be effective only if a general food market or grocery store is opened on Parcel 2 within four (4) years of the date of the recordation hereof and shall be effective thereafter only so long as a general food market or Grocery store business is conducted on Parcel 2 without an interruption of such conduct for more than four hundred (400) consecutive days; provided, however, that said four hundred (400) day period shall be extended by the number of days during which the operator of said business is prevented from conducting said business by caused beyond said operator's control.

No portion of Parcels 1, 2 and/or 3 other than the area within the building limit lines on Parcel 2 shown as single-hatched on Exhibit C hereto shall be occupied or used, directly or indirectly for the sale or offering for sale of items the sale or offering for sale of which requires the presence of a licensed pharmacist. The provisions of this Paragraph 3 shall be effective only if a business selling or offering for sale items the sale or offering for sale of which requires the presence of a licensed pharmacist is opened on Parcel 2 within four (4) years of the date of the recordation hereof and shall be effective thereafter only so long as a business selling or offering for sale items the sale or offering for sale of which requires the presence of a licensed pharmacist is conducted on Parcel 2 without an interruption of such conduct for more than four hundred (400) consecutive days: provided, however, that said four hundred (400) day period shall be extended by the number of days during which the operator of said business is prevented from conducting said business by causes beyond said operator's control.

No portion of Parcels 1, 2 and/or 3 shall be occupied or used, directly or indirectly, for the purposes of an entertainment or recreational facility or a training or educational facility. As used herein, "entertainment or recreational facility" includes, but is not limited to, a bowling alley, skating rink, racquetball court, theater, billiard room, massage parlor, or gymnasium or other place of public amusement; and "training or educational facility" includes, but is not limited to, a beauty school, barber college, place of instruction, or any other operation catering primarily to students or trainees rather than to customers, it being the intent of this provision that the parking and other common facilities should not be burdened by either large scale or protracted use by customers of occupants of Parcels 1, 2, and/or 3. As used in this Paragraph, the term "entertainment or recreational facility" shall not be deemed to apply to nor include within its terms, a "McDonalds Playland" of the size and nature typically found as a part of a McDonalds Restaurant in northern California; provided such "McDonalds Playland" area is within the building limit line areas designated for the parcel upon which it is built, and provided further that the total number of parking spaces originally provided for such parcel is reduced by no more than four (4) parking spaces as a result of the construction of such "McDonalds Playland."

EXHIBIT "E"
Sunset Shopping Center
Signage Criteria



SIGN CRITERIA

SUNSET

SHOPPING
CENTER

TENANT SIGNS SHALL BE INDIVIDUAL LETTERS WITH 3/16" ACRYLIC PLASTIC FACES AND 5" CHANNELUME CONSTRUCTION WITH DARK BRONZE RETURNS. MAXIMUM LETTER HEIGHT 18". LETTER STYLE AND COLORS OF PLASTIC FACE SHALL BE OF TENANT'S CHOICE. ILLUMINATION SHALL BE NEON TUBING CONTAINED INSIDE LETTERS. ALL CONNECTIONS, CROSSOVERS AND RACEWAYS MUST BE HIDDEN. LOGOS SHALL BE ALLOWED AS AN INTEGRAL PART OF THE SIGN. LOGOS MUST NOT BE OVER 18" IN HEIGHT WITH THE SAME CONSTRUCTION DETAILS AS LETTERS. DRAWINGS OF PROPOSED SIGNS SHALL BE SUBMITTED TO OWNER FOR HIS APPROVAL. DRAWINGS MUST CLEARLY SHOW DIMENSIONS, MATERIALS, COLORS AND METHOD OF INSTALLATION.

EXHIBIT "F"
Lease Guaranty

(Lessee may be referred to as Tenant, and Lessor may be referred to as Landlord)

This GUARANTY OF LEASE (herein, together with all amendments and supplements hereto made hereafter, called this "Guaranty") dated as of May 7, 2020 (the "Effective Date"), is made by Brian Mitchell, an Individual, and Shryne Group Inc., a California corporation, as guarantors (both parties may be referred to as "Guarantor" in this Lease Guaranty), in favor of CENTRE PLACE WALNUT CREEK, LLC, a California limited liability company ("Landlord"), with reference to the following facts:

WHEREAS, Landlord and SGI SUISUN LLC, a California limited liability company ("Tenant"), entered into that certain Standard Retail Lease dated as of the Effective Date, wherein Landlord agreed to lease to Tenant certain property located at the 141-G Sunset Avenue, located in the City of Suisun City, County of Solano, State of California (the "Premises"). The Lease, together with any and all riders, addenda, schedules, amendments and modifications thereto, shall be collectively referred to herein as the "Lease." Guarantor acknowledges and agrees that (i) unless Guarantor agreed to execute this Guaranty, Landlord would not have entered into the Lease with Tenant and (ii) the Lease represents a material and substantial benefit to Guarantor.

NOW, THEREFORE, in consideration of the foregoing and other valuable consideration, the receipt, adequacy, and sufficiency of which are hereby irrevocably and conclusively acknowledged by Guarantor, Guarantor hereby agrees as follows:

1. Guaranty. Guarantor unconditionally and irrevocably guarantees that all sums payable by Tenant under the Lease, including, without limitation, Base Rent, shall be promptly paid in full when due, in accordance with the provisions of the Lease and that Tenant shall perform and observe each and every covenant, agreement, term and condition in the Lease required to be performed and observed by Tenant with respect to the Premises under the Lease. This Guaranty is irrevocable, unconditional, and absolute. If, for any reason, any such sums shall not be paid promptly when due or any such covenant, agreement, term or condition is not performed or observed in accordance with the Lease, Guarantor, promptly after notice thereof, shall pay the same to the person entitled thereto pursuant to the provisions of the Lease, and shall perform and observe or cause to be promptly performed and observed every such covenant, agreement, term, and condition regardless of: (a) any defenses or rights of set-off or counterclaims which Guarantor may have or assert; (b) whether Landlord shall have taken any steps to enforce any rights against Tenant or any other remedy as a result of the default of Tenant, including enforcing any rights to any collateral securing the obligations of Tenant; (c) any other condition or contingency; or (d) any amendment, modification, extension, renewal or supplement to the Lease. This Guaranty is a guaranty of payment, not collection.

2. Non-Impairment of Guaranty. The obligations, covenants, agreements, and duties of Guarantor under this Guaranty shall in no way be impaired or excused by reason of the happening from time to time of any of the following, although any of which may be without notice to or the further consent of Guarantor:

(a) The waiver by Landlord of the performance or observance by Tenant, Guarantor or any other party of any of the agreements, covenants, terms or conditions contained in the Lease, this Guaranty or any other instrument (other than the excuse from such performance or observance, but only to the extent expressly stated in such waiver);

(b) The extension, in whole or in part, of the time for payment by Tenant or Guarantor of any sums owing or payable under the Lease or this Guaranty, or of any other obligations under or arising out of or on account of the Lease or this Guaranty;

(c) Any assignment of this Guaranty or the Lease, or subletting of the Premises or any part thereof, or any other transfer or encumbrance of the Lease on the Premises;

(d) The modification or amendment (whether material or otherwise) of any of the obligations of Tenant or Guarantor under the Lease or this Guaranty;

(e) Any failure, omission or delay on the part of Landlord to enforce, assert or exercise any right, power or any remedy conferred on or available to Landlord in or by the Lease, this Guaranty or any other instrument, or any action on the part of Landlord or any other person or entity granting indulgence or extension in any form whatsoever;

(f) The voluntary or involuntary liquidation, dissolution, or sale of all or substantially all of the assets, marshaling of assets and liability, receivership, conservatorship, insolvency, bankruptcy, assignment for the benefit of creditors, reorganization, arrangement, composition or readjustment of, or other similar proceeding affecting Tenant or Guarantor or any of their assets;

(g) The release of Tenant or Guarantor from the performance or observance of any of the agreements, covenants, terms or conditions contained in the Lease or this Guaranty by operation of law;

(h) The inability of Landlord or Tenant to enforce any provision of the Lease, for any reason; or

(i) The filing or the existence of any grounds for the filing of a petition by or against Tenant or Guarantor under the Bankruptcy Reform Act, as the same may be amended or re-codified from time to time.

3. Waivers.

(a) Guarantor, to the extent Guarantor may legally do so, waives any right now or hereafter existing requiring Landlord, as a condition to proceeding against Guarantor hereunder, to (i) proceed against Tenant, (ii) proceed against or exhaust any security held from Tenant, (iii) proceed against any other guarantor prior to proceeding against Guarantor in any proceeding, or (iv) pursue any other remedy in Landlord's power. **GUARANTOR WAIVES ALL RIGHTS AND DEFENSES ARISING BY REASON OF ANY DISABILITY OR OTHER DEFENSE OF TENANT OR BY REASON OF THE CESSATION FROM ANY CAUSE WHATSOEVER OF THE LIABILITY OF TENANT OTHER THAN FULL PAYMENT OF ALL SUMS OWING LANDLORD UNDER THE LEASE AND FULL PERFORMANCE OF ALL TENANT'S OBLIGATIONS THEREUNDER.**

(b) **GUARANTOR, TO THE EXTENT GUARANTOR MAY LEGALLY DO SO, WAIVES ANY RIGHTS AND DEFENSES GUARANTOR MAY OTHERWISE HAVE, WHETHER NOW OR HEREAFTER EXISTING, BASED UPON AN ELECTION OF REMEDIES BY LANDLORD WHICH LIMITS OR DESTROYS GUARANTOR'S SUBROGATION RIGHTS OR GUARANTOR'S RIGHTS TO PROCEED AGAINST TENANT FOR REIMBURSEMENT.**

(c) Until the payment in full of all sums owing Landlord under the Lease and the full performance of all obligations of Tenant under the Lease, Guarantor shall have no right of subrogation. Guarantor further waives all rights to enforce any remedy which Landlord now has or may hereafter have against Tenant, and waives the benefit of, and all rights to participate in, any security now or hereafter held by Landlord from Tenant.

(d) Guarantor shall not assert the bankruptcy of Tenant as a defense to Guarantor's obligations hereunder, and further agrees that in the event a bankruptcy court orders or causes a

rescission or revision of the Lease or releases Tenant from any of its obligations under the Lease, Guarantor shall remain fully liable hereunder.

(e) Guarantor waives any right to require Landlord to make any presentments, demands for performance, notices of nonperformance, protests, notices of protest, notices of dishonor, notices of default or delinquency, notices of nonpayment, notices of the amounts from time to time owing Landlord under the Lease or any other facts that may come to Landlord's attention regarding the financial position of Tenant or notice of acceptance of this Guaranty.

(f) California Waivers. Guarantor further waives (a) the rights and defenses available under California Civil Code Sections 2787 to 2855, inclusive, and California Code of Civil Procedure Sections 995.010 through 995.770 and Sections 995.910 through 996.495, as such provisions may be amended from time to time, and (b) the benefit of any statute of limitations affecting Guarantor's liability under this Guaranty.

(g) Guarantor's Acknowledgment. Guarantor warrants and agrees that each of the waivers set forth in this Guaranty is made with Guarantor's full knowledge of its significance and consequences, and that under the circumstances, the waivers are reasonable and not contrary to public policy or law. If any of said waivers are determined to be contrary to any applicable law or public policy, waivers shall be effective only to the maximum extent permitted by law.

4. Indemnification by the Guarantor. Without limitation on any other obligations of Guarantor under this Guaranty, Guarantor shall indemnify, defend and hold harmless Landlord from and against, and shall pay on demand, any and all losses, liabilities, damages, costs, expenses, and charges (including the reasonable fees and disbursements of Landlord's legal counsel and the reasonable charges of Landlord's internal legal counsel) suffered or incurred by Landlord as a result of any breach by Guarantor of this Guaranty.

5. Bankruptcy. In the event of the rejection or disaffirmance of the Lease by the Tenant or the Tenant's trustee in bankruptcy pursuant to bankruptcy law or any other law affecting creditors' rights, Guarantor shall, upon Landlord's request, assume all obligations and liabilities of the Tenant under the Lease with respect to the Premises and under the Lease, to the same extent as if Guarantor had been originally named instead of the Tenant as a party to such document and there had been no such rejection or disaffirmance; and Guarantor will confirm such assumption in writing at the request of Landlord upon or after such rejection or disaffirmance. Guarantor, upon such assumption, shall have all rights of Tenant under the Lease (to the extent permitted by law).

6. Representations and Warranties. Guarantor represents and warrants (which representations and warranties shall survive the execution of this Guaranty) that (a) Guarantor has received a copy of the Lease (and all exhibits, amendments and schedules thereto) as the same exists as of the Effective Date and is familiar with the terms and conditions thereunder, (b) the execution of this Guaranty will not render Guarantor insolvent, (c) Guarantor is receiving fair consideration for this Guaranty, and (d) Guarantor is now solvent, and no bankruptcy, insolvency, receivership, dissolution, liquidation, winding up, reorganization or similar proceedings are pending or contemplated by or, to the best of Guarantor's knowledge, threatened against Guarantor. Guarantor's liabilities and obligations under this Guaranty do not, and will not, render Guarantor insolvent, cause Guarantor's liabilities to exceed Guarantor's assets or leave Guarantor with too little capital to properly conduct all of its business as now conducted or contemplated to be conducted.

7. Interest; Attorneys' Fees. Any amount required to be paid by Guarantor to Landlord pursuant to the terms hereof shall bear interest, from the date payment is due from Guarantor, at the Overdue Rate (as defined in the Lease). If Landlord is required to pursue any remedy against Guarantor hereunder, or against Tenant in connection with the Lease, Guarantor shall pay to Landlord, upon demand, all fees and expenses of Landlord's counsel and all other related costs incurred by Landlord in connection therewith; provided,

however, Guarantor shall be entitled to recover his reasonable attorneys' fees and court costs if Guarantor is the prevailing party in any action with Landlord.

8. Interpretation. This Guaranty may not be modified or amended except by a written agreement duly executed by Guarantor and Landlord. This Guaranty embodies the parties' entire agreement with respect to the subject matter hereof and supersedes all prior agreements with respect thereto. Time is of the essence to the performance of all of Guarantor's obligations hereunder. This Guaranty shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns.

9. Joint and Several Obligations. If Guarantor consists of more than one person or entity, then the obligations of all persons and entities constituting Guarantor shall be joint and several.

10. Governing Law. This Guaranty shall be governed by and construed in accordance with the laws of the State of California applicable to contracts entered into in California between parties residing in California. Guarantor hereby consents to the personal jurisdiction and venue of any California state court located in the Counties of Contra Costa, Alameda, and San Francisco and United States District Courts for the Northern District of California, and any successor courts, and the service of process by any means authorized by such courts.

11. Severability. If any provision of this Guaranty or application thereof to any person or circumstance shall to any extent be invalid or unenforceable, the remainder of this Guaranty (including the application of such provision to persons or circumstances other than those to which it is held invalid or unenforceable) shall not be affected thereby, and each provision of this Guaranty shall be valid and enforced to the fullest extent permitted by law.

12. Notices. All notices given to Guarantor pursuant to this Guaranty or applicable law shall be in writing and shall be delivered (a) in person (by hand or by courier), (b) by certified or registered U.S. Mail or U.S. Postal Service Express Mail, with postage prepaid, or (c) by Express Courier (overnight or better service) that maintains delivery records. The addresses specified below shall be parties' addresses for delivery or mailing of notices. Either party may, by written notice to the other party, specify a different address for notice. Notice is deemed given upon receipt or when delivery is refused.

GUARANTOR:

Brian Mitchell, an Individual

Shryne Group Inc., a California corporation

By: Brian Mitchell
By: Brian Mitchell (May 7, 2020)

By: Brian Mitchell
By: Brian Mitchell (May 7, 2020)

Its: CEO

Name: Brian Mitchell

Name: Brian Mitchell

Address of Landlord:

Centre Place Walnut Creek, LLC
c/o Hall Equities Group
1855 Olympic Blvd., Suite 300
Walnut Creek, CA 94596
Attention: Retail Portfolio Manger
Email: notices@hallequities.com

Address of Guarantor:



Attention: Brian Mitchell
Email: brian.mitchell@shrynegroup.com

EXHIBIT "G"
Lessee's Work

This Exhibit G describes the obligations of Lessor and Lessee in the design and construction of the Premises. Each term used in this Exhibit which is defined in the main body of the Lease to which this Exhibit is attached shall have the same meaning when used herein.

Part I – Lessor's Work

Lessor shall deliver the Premises in "as-is" broom clean condition (free of any debris), "Lessor's Work" within fifteen (15) business days after the date that this Lease is executed by both Lessor and Lessee, the fully executed Lease has been provided to Lessor, and Lessee has provided Lessor with all items as noted in Article 1.4.

- A. The Premises shall be delivered to Lessee in AS-IS, WHERE-IS condition.
- B. Except as provided in this Part I, Lessee accepts the Premises in its current condition "As-Is". Lessor makes no representation and no warranties as to the condition of the Premises. Notwithstanding the foregoing, (i) Lessor warrants that the HVAC, plumbing or electric system (collectively, the "Systems") servicing the Leased Premises are in good working order at the time the Leased Premises is delivered to the Lessee, and (ii) if Lessee notifies Lessor within twenty-one (21) days after the Delivery Date (the "System Deficiency Notice Deadline") regarding any deficiencies in the Systems, Lessor shall promptly repair such deficiencies at Lessor's sole cost and expense ONLY after Lessee received its' Project Approvals and waived all lease conditions, or in the event the Systems are in not good working order Lessor may terminate the Lease rather than making repairs or replacements of the Systems. Following the System Deficiency Notice Deadline, the Systems shall be deemed to have been accepted by Lessee in good working order. However, the restroom(s) and HVAC shall be delivered in their current as-is condition, and Lessee acknowledges some these systems may require improvements to restore them to working condition.

Part II – Lessee's Work

A. Plan Approval Process:

(1) A field inspection of the Premises shall be made by Lessee prior to the preparation of the Lessee's plans and to verify all dimensions and field conditions since Lessor's does not have any "as built" plans.

(2) In accordance with the Lease, Lessee shall submit to Lessor a complete set of all architectural, structural, and MEP plans and specifications including the following:

- (a) Floor layout plan of Architectural, Structural & MEP at 1/4" scale
- (b) Interior elevations at minimum 1/4" scale;
- (c) Finish and color schedule with samples of wall and floor finishes;
- (d) Details of any special conditions at 3/4" scale; and
- (e) Store fixture plan showing photos of all trade fixtures.
- (f) Any exterior signage.

(3) Upon receipt by Lessor of Lessee's design plans as aforesaid, Lessor will review and comment upon the same. If any of said design plans are returned to Lessee with comments, and not bearing the unconditional approval of Lessor, said design plans shall be immediately revised by Lessee in accordance with Lessor's comments and resubmitted to Lessor for approval as provided in Article 53 of the Lease. Lessor will review and comment upon any revised design plans and the above procedure will be followed until Lessee's design plans are unconditionally approved by Lessor.

(4) Lessee shall commence construction of its work in the Premises after delivery of the Premises and Lessee has received Project Approvals.

Part III -- General Procedures

(1) Jurisdiction and Codes - The project is being developed in and under the jurisdiction of Solano County, Suisun City, California. Lessee's design and construction work shall comply with all applicable statutes, ordinances, regulations, laws and codes.

(2) Lessor's written approval shall be obtained by Lessee prior to the undertaking of any construction work which deviates from Lessee's interior design plans, as approved by Lessor, or the undertaking of any modifications whatsoever to the Premises and other work not explicitly shown on said design plans. Lessor's approval of the foregoing shall not constitute the assumption of any responsibility by Lessor for the accuracy or sufficiency thereof, and Lessee shall be solely responsible thereof.

(3) All contractors engaged by Lessee shall be bondable, licensed contractors, possessing good labor relations, capable of performing quality workmanship and working in harmony with Lessor's general contractor and other contractors on the job.

(4) Lessee's construction shall comply in all respects with applicable federal, state, county and/or local statutes, ordinances, regulations, laws and codes.

(5) All Lessee's work shall be performed in good and workmanlike manner and shall be prosecuted to completion with all due diligence.

(6) Lessee may use no space except the Premises for storage without approval of Lessor. Any material found in other areas will be subject to disposal by Lessor at Lessee's expense. Lessor shall have no responsibility or liability whatsoever for any loss of, or damage to, any materials, fixtures, equipment, merchandise or other property belonging to Lessee installed or left in the Premises or anywhere else at the Shopping Center.

(7) During the term of this lease all work performed by Lessee's contractor(s) must take place between the hours of 8am and 5pm, Monday through Friday (holidays and weekends are not allowed) and shall be performed so as to cause a minimum of interference with other Lessees, as well as the Shopping Center's shoppers and the operation of the Shopping Center. All construction workers' parking will be designated by the Lessor. Lessee shall take all precautionary steps to protect its facilities and the facilities of others affected by Lessee's Work and properly police same. Construction equipment, materials and trash bins are to be located in confined areas as approved by Lessor and truck traffic is to be routed in and from the site as directed by Lessor so as not to burden the construction or the operation of the Shopping Center. Any damage or loss to the property of Lessor or other Lessees or third parties in the Shopping Center occasioned by or arising from acts of Lessee, its employees, agents or contractors shall be the responsibility of Lessee and Lessee hereby indemnifies and holds harmless Lessor therefrom.

(8) Lessor shall have the right to order any Lessee or Lessee's contractor or employee who willfully violates any of the requirements contained herein to cease work, and to remove himself, his equipment and his employees from the Shopping Center.

(9) Each Lessee contractor shall be required to maintain continuous protection of adjacent premises in such manner as to prevent any damage to such adjacent property and the improvements thereon or therein by reason of the performance of the Lessee's Work, and promptly to repair any such property or improvements so damaged to the condition prior thereto. Each Lessee contractor shall be required to properly protect its work with lights, guard rails, and barricades and secure all parts of the work against weather and accident.

(10) Any disagreement which may arise between Lessor and Lessee, or any of their contractors, with reference to Lessee's Work, Lessor's Work or any other work to be performed by either Lessor or Lessee pursuant to this Exhibit G, shall be in writing and provided by one party to the other within thirty (30) days following the delivery of the Premises by Lessor to Lessee.

(11) No approval by Lessor is valid unless in writing, signed by Lessor.

(12) Lessee shall furnish Lessor with lien waivers and sworn statements, in such form as may be required by Lessor, from all persons performing labor and/or supplying materials in connection with the Lessee's Work showing that all of said persons have been compensated in full.

(13) Lessor, other Lessees and any utility companies shall have the right (subject to Lessor's approval) to run utility lines, pipes, conduit or duct work where necessary, through ceiling spaces, and column spaces, non-selling areas or other parts of the Premises, and to maintain same in a manner which does not interfere unnecessarily with Lessee's use thereof.

(14) At the completion of the Lessee construction, Lessee agrees to provide Lessor copies of construction permits, Health Dept. permits, as-built drawings, Certificates of Occupancy and Final lien waivers from the Lessee's contractor(s) and sub-contractors.

Shryne Group_Sunset Center Lease_FINAL_2020.5.7

Final Audit Report

2020-05-07

Created:	2020-05-07
By:	Ellen Wysocki (ellen.wysocki@shrynegroup.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAAhTQjiWT-dKszC3ZSyAJsuFg3b5YVye1b

"Shryne Group_Sunset Center Lease_FINAL_2020.5.7" History

-  Document created by Ellen Wysocki (ellen.wysocki@shrynegroup.com)
2020-05-07 - 6:44:02 PM GMT- IP address: 174.50.183.221
-  Document emailed to Brian Mitchell (brian.mitchell@shrynegroup.com) for signature
2020-05-07 - 6:48:34 PM GMT
-  Email viewed by Brian Mitchell (brian.mitchell@shrynegroup.com)
2020-05-07 - 6:50:19 PM GMT- IP address: 66.249.84.31
-  Document e-signed by Brian Mitchell (brian.mitchell@shrynegroup.com)
Signature Date: 2020-05-07 - 6:51:17 PM GMT - Time Source: server- IP address: 76.81.125.218
-  Signed document emailed to Brian Mitchell (brian.mitchell@shrynegroup.com), Ellen Wysocki (ellen.wysocki@shrynegroup.com) and tak.sato@shrynegroup.com
2020-05-07 - 6:51:17 PM GMT

ADDENDUM TO STANDARD RETAIL LEASE

1. Integral Part. This Addendum to Standard Retail Lease (this “Addendum”) is an integral part of the Standard Retail Lease to which this Addendum is attached. The term “the Lease” means such Standard Retail Lease and the term “this Lease” means the Lease and this Addendum taken together. In the event of a conflict between the Lease and this Addendum, this Addendum shall control.

2. Early Termination. Lessor shall have the right upon Lessor’s sole election, upon five (5) days’ written notice to Lessee or, if sooner, upon the effective date of any court order, to terminate this Lease in the event any of these causes (each, an “Early Termination Event”) arise:

(a) The seizure by governmental authority seeking forfeiture of the building housing the Premises, whether or not the court proceeding has actually commenced;

(b) The entry of judgment (whether final or not) that has the effect (whether by restraining order, injunction, declaration, or otherwise) of establishing Lessee’s use of the Premises or Common Areas constitutes a public or private nuisance;

(c) The commencement of an action under any federal, state, or local law (ordinance) or regulation seeking remediation of the Premises or any portion of the building housing the Premises as a result of a violation by the Lessee of any “Mandate” (as hereinafter defined) pertaining to environmental sensitivity or commission of waste, irrespective of Lessee’s intent and course of action following its commencement;

(d) A final, appealable judgment having the effect of establishing that Lessee’s operation violates Lessor’s contractual obligations (i) pursuant to any private covenants of record restricting Lessor’s building housing the Premises, (ii) good faith dealing to any third party, including other tenants of the building housing the Premises or occupants of any other building within the Project, or (iii) pursuant to its obligations under its mortgage agreement with Lessor’s bank; or

(e) An event that (i) requires closure of the building for more than thirty (30) consecutive days for remediation of materially adverse circumstances created by Lessee’s use of the Premises, or for more than forty-five (45) nonconsecutive calendar days within a three hundred sixty (360)-consecutive day period, or (ii) causes Lessor’s insurance carrier to cancel coverage on the building housing the Premises (the “Building”) unless Lessee procures comparable coverage for the entire Building within one (1) business day thereafter, and commences and thereafter continues to pay any premium cost in excess of the premium (pre-cancellation) paid by Lessor without credit or offset against the rent reserved under this Lease.

In addition to covenants of indemnity made in this Lease by Lessee, Lessee specifically agrees to indemnify and hold harmless Lessor from and against damages or losses Lessor incurs as a result of an Early Termination Event.

3. Use of Premises. The Premises shall be used only by Lessee to carry out a lawful cannabis business in accordance with the laws of the State of California and the ordinances (including zoning ordinances) of the City of Suisun City (collectively, the “Applicable Laws”),

namely and specifically, the retail or dispensary sale of cannabis products ("Cannabis Products") and related goods permitted by Applicable Law and reasonable administrative purposes associated therewith and for no other purposes. Lessee shall not sell or display any other psychoactive drug or product containing any psychoactive component other than cannabis, including, but not limited to, psilocybin, whether or not the same are permitted under the Applicable Laws. Cannabis Products may not be consumed in the Premises by any persons and Lessee shall take commercially reasonable efforts to prevent (a) the consumption of Cannabis Products in the Shopping Center by Lessee's patrons and (b) loitering or congregating in the Common Areas. If Lessee fails to perform its obligations under the immediately prior sentence to the reasonable satisfaction of Lessor, Lessor, at the cost of Lessee (which shall be deemed additional rent due under this Lease), may engage a security service to enforce compliance with such obligations. Lessee may not sell or trade in merchandise which, under the laws of the State of California, is required to be dispensed by or under the supervision of a registered or licensed pharmacist.

4. Inspection of Premises. Lessor shall have the right, at any time any portion of the Premises is occupied by Lessee's principals, agents, or contractors, to enter the Premises for the purposes of ensuring compliance with the covenants, warranties, and representations of Lessee under this Lease. If required under Applicable Laws, Lessor must be accompanied by authorized Lessee personnel while inspecting limited access areas to ensure compliance with the California Medicinal and Adult Use Cannabis Regulation and Safety Act.

5. Compliance with Laws; Lessee's Duty to Comply. The parties acknowledge that myriad regulations and local, state, and federal laws govern the operation of Lessee's use and that Lessee alone will be responsible for compliance with all Mandates and other requirements of any nature. Lessee's foregoing obligation shall encompass (a) all Applicable Laws (including, but not limited to, applicable restrictions on advertising); and (b) all federal laws to the extent those laws are not inconsistent with the Applicable Laws allowing Lessee to use the Premises for the permitted uses specified in Paragraph 1 above. The covenant to comply encompasses all laws that become effective before and during the Lease term, as may be extended (collectively, the "Mandates"), regardless of the cost of such compliance. Lessee's inability to comply with the Mandates shall be grounds for termination of this Lease by Lessor.

6. Surrender. Lessee's covenant to comply with all applicable Mandates shall apply equally to dismantling Lessee's operations at the end of the term and surrender of the Premises. Lessee hereby covenants to dispose, according to Mandates, all unused inventory, refuse and scrap materials and thereafter clean to commercially acceptable standards (including sterilization of impermeable surfaces, wall to wall and ceiling to floor) all floors, walls, immovable fixtures, and air ducts serving the Premises. Lessor has absolutely no obligation to return the Security Deposit to Lessee until an inspection of the Premises discloses that the above cleaning and disposal, and removal of alterations required hereby have been satisfactorily completed.

7. Lessee's Security Requirements. Lessee, at Lessee's expense, shall (a) install, keep operative, and monitor an exterior video surveillance system, and (b) at Lessor's option (and as a matter of Lessor's sole and absolute discretion), provide for an on-site security guard on a 24-hour/7 days a week basis.

8. Payment of Rent. Base Rent and all other amounts payable by Lessee under this Lease are “rent” for the purpose of California’s unlawful detainer laws. All rent payable to Lessor shall be paid by wire transfer or bank check drawn on a US-based bank first approved in writing by Lessor. Lessor will not accept cash payment of rent.

Exhibit I

Neighborhood Outreach Materials



SHRYNE GROUP INC.

Good Neighbor Policy

1. Appoint a Community Outreach Director, whose name and phone number will be posted at the entryway of the facility and mailed or hand-delivered to businesses within a two-block radius. The Community Outreach Director, or an employee designated by the Community Outreach Director, will make reasonable efforts to proactively establish relationships with law enforcement and all neighbors so that they will have a point of contact within the organization they can reach at any time should questions, comments, concerns or problems arise. The Community Outreach Director will maintain a log of all complaints and suggestions from neighbors, and all complaints will be addressed in a timely manner.
2. At no time shall any of the following items be allowed on the Facility premise: (i) any controlled substance, other than cannabis; (ii) any paraphernalia used for the ingestion of any type of controlled substance, except for cannabis accessories for incidental retail sale to customers; (iii) alcoholic beverages; or (iv) firearms, except in strict compliance with federal, State, and County laws.
3. Ensure that all cannabis goods sold by Authentic 707 are produced and transported by State licensed facilities in full conformance with the State and local regulations.
4. Not sell alcoholic beverages or tobacco at the Facility.
5. Prohibit the smoking, vaporization, ingestion, or consumption of alcohol, tobacco, or cannabis in any form at or within Facility. No employee shall be under the influence of alcohol or drugs (including cannabis) while on the premises.
6. Not distribute any form of advertising for physician recommendations for cannabis.
7. Provide outside lighting in a manner that illuminates the outside street and sidewalk areas and adjacent parking as appropriate, in accordance with Suisun City regulations.
8. In accordance with the Air Quality and Odor Control Plan detailed within our proposal, provide adequate and appropriate ventilation to prevent any significant noxious or offensive odors from escaping the premises.
9. Patrol the surrounding area to identify and immediately address any problems, including, but not limited to, noise, odor, cannabis consumption, and litter as well as maintain the premises, adjacent sidewalk and/or alley in a good, clean condition at all times. Any and all graffiti will be identified and promptly removed from the property and parking lots.
10. Prohibit patrons from double-parking around the premises.
11. Prohibit loitering in or around the premises.
12. Prohibit littering in or around the premises.
13. Prohibit the consumption of cannabis products in and around the premises.
14. Post notices on the premises that:
 - a. Direct patrons to leave the establishment and neighborhood peaceful and in an orderly fashion.
 - b. Direct patrons to not litter or block driveways.
 - c. Advise individuals of the prohibition on loitering.
 - d. Advise individuals that smoking of cannabis is prohibited in public places.
15. Ensure notices are clear, well-lit, prominently displayed and maintained at all public entrances to and exits from the establishment.
16. Secure the premises within 50 feet of any public entrance and exit.
17. Ensure the Facility shall be continuously maintained in a safe, clean, and orderly condition with twice daily litter pick-up within 100 feet of the premises. Such litter pick-up shall include inspections for graffiti, which shall be removed within 24 hours of detection.

Exhibit I

Neighborhood Outreach Materials

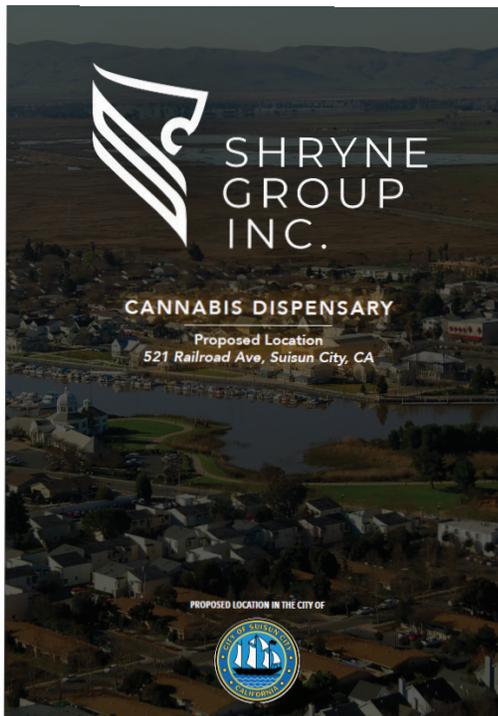


SHRYNE GROUP STORE: MISSION, SAN FRANCISCO, CA



PROPOSED LOCATION: 521 RAILROAD AVE, SUISUN CITY, CA

To find out more, please contact Jose Pecho, community outreach director, at (925) 286-6607 or jose.pecho@shrynegroup.com.



CANNABIS DISPENSARY

Proposed Location
521 Railroad Ave, Suisun City, CA

PROPOSED LOCATION IN THE CITY OF



Clean, Safe & Compliant

All Shryne Group facilities adhere strictly to local and state regulations. We run a transparent business that is safe and respectful of local values.



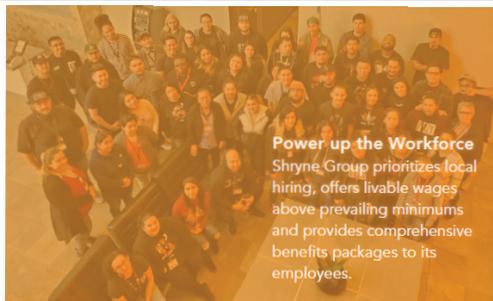
No One Under 21 Admitted*

Enhanced Exterior Lighting

Trained, Professional Security Staff

Enhanced Exterior 24/7 Video Surveillance

Zero Tolerance for Misuse Activities



Power up the Workforce
Shryne Group prioritizes local hiring, offers livable wages above prevailing minimums and provides comprehensive benefits packages to its employees.

A Community Asset

Last year, Shryne Group contributed close to \$100,000 in community donations throughout the state and countless hours of volunteer time by our employees. We are committed to being an engaged neighbor in every community where we operate.



"The legalization of cannabis is not just a business opportunity, it is an opportunity to do business right."

Brian Mitchell, CEO Shryne Group Inc.

Exhibit J

CANB Contribution Letter



February 3, 2020

Matthew Nathaniel
Director of Retail Expansions
Shyrne Group Inc.

Dear Matthew,

It was a pleasure to meet with you and Ellen last week. I am in receipt of your email acknowledging your desire to partner with our agency, to support us with volunteers and to contribute \$2000.00. I am very excited about all of this and thank you for your generosity!

We share the mission of improving people's lives and I foresee a partnership finding multiple ways to help people in our community. I look forward to working with you and your staff in strategizing and reaching these common goals.

Attached please find our donation form. Please feel free to send people our way if they are interested in learning more about the agency and the services we provide here.

Sincerely,



Kari Rader
Executive Director

Exhibit L

Food Bank of Contra Costa and Solano Pledge Letter

Shryne Group Inc.
728 E Commercial Street
Los Angeles, CA 90012

February 10, 2020

Mr. Joel Sjostrom
Food Bank of Contra Costa & Solano
4010 Nelson Ave., Concord, CA 94520
Fairfield Warehouse: 2339 Courage Dr. Ste F, Fairfield, CA 94533

Dear Mr. Sjostrom,

Thank you for allowing the Shryne Group to support the Food Bank's efforts in the community. The sheer volume of people served and food processed each month is truly amazing. The level of thought and care that your organization has put towards impacting those in need within the community is inspiring. We appreciate the commitment and dedication that you and your staff put forth to make this program a success.

It is an honor to support the Food Bank of Contra Costa & Solano. Please accept our initial contribution of \$3,500.00 enclosed with this letter. Additionally, we pledge to contribute \$15,000 every year, if we have the honor of opening our store in Suisun City. We understand these financial gifts make us a valued donor, and do not qualify us to be recognized as official sponsors of the Food Bank. Therefore, we realize we will not be included in the Food Bank's marketing materials. We will use your donor acknowledgement letters, with your tax ID on them, as documentation for tax purposes. We also look forward to volunteer opportunities with your wonderful organization for our local store staff.

Thank you,

Tak Sato

Tak Sato
Chief Development Officer
Shryne Group Inc.

Exhibit M

Local Vendor LOI – Coastal Construction

DocuSign Envelope ID: E2FDA11E-4433-4F31-ACE7-05E2FC84E8C1

Letter of Intent

This Letter of Intent, dated as of January 30, 2020, is entered into by and between Shryne Group Inc. (“Shryne”) and Coastal Construction, located at 5191 Antiquity Court, Fairfield, CA 94534 (the “Vendor”).

WHEREAS, Shryne will apply for a license to operate a cannabis dispensary (the “License”) in Suisun City (the “City”);

WHEREAS, the parties desire to enter into this Letter of Intent to memorialize the arrangement between the parties upon the License being awarded to Shryne;

NOW THEREFORE, the parties agree to the following.

Upon Shryne being awarded a License by the City, Shryne agrees to engage the Vendor as the general contractor and other construction related services (the “Services”) in connection with Shryne opening and operating its store in the City.

The parties hereby agree to negotiate in good faith any other material terms of the provision of the Services which terms will be set forth in a binding contract (the “Definitive Agreement”) and Shryne agrees to enter into such Definitive Agreement and engage Vendor to provide the Services upon Shryne being awarded the license.

Shryne will notify Vendor within 10 days of being awarded the License so that the parties can execute the Definitive Agreement in a timely fashion. Upon execution of the Definitive Agreement, the Definitive Agreement will replace this Letter of Intent and this Letter of Intent will be void and terminated.

IN WITNESS WHEREOF, the undersigned parties hereto have executed this Letter of Intent as of the date first written above.

Shryne Group Inc.

By: Brian Mitchell 1/30/2020

Name: Brian Mitchell

Its: CEO

Coastal Construction

By: [Signature] 1/30/2020

Name:

Its: CEO